CONFERENCE BETWEEN
GOVERNOR CULBERT L. OLSON
and
REPRESENTATIVES OF WATERFRONT EMPLOYERS ASSOCIATION AND UNION

SATURDAY, DECEMBER 16th, 1939.

HART & HART
OFFICIAL SUPERIOR COURT SHORTHAND REPORTERS
CHANCERY BUILDING, SAN FRANCISCO
DOUGLAS 0118

STATE BUILDING, SAN FRANCISCO, CALIFORNIA,

SATURDAY, DECEMBER 16, 1939, 3 P. M.

GOVERNOR OLSON: The purpose of this meeting or conference is to exhaust every effort that I may lend toward what everyone wants to accomplish -- the immediate resumption of operations of the San Francisco Harbor. I appreciate that negotiations have been carried on ever since the strike conditions began through mediation on the part of the Mayor of San Francisco, and on the part of the Federal Labor Relation agencies, and I understand numerous conferences have been held between the employers and the employees organization or union, and an impasse seems to exist.

I appointed a committee to investigate and report for my information and the public information generally on the facts surrounding the issues that exist, the differences upon which the parties have failed to find a way to the meeting of the minds in settlement, and I have received a report of that committee, which seems to be to the effect that the real stumbling block that is in the way of a settlement is the demand of the union for a preferential hiring system of monthly men, together with the registration of all men in the industry, and the refusal of the employers to accede to that demand, and the refusal of the

employers to arbitrate that question as being a question which they do not consider is arbitrable on principle.

I understand that the Federal mediation agencies have recommended arbitration, and that the union is willing to arbitrate that question; that all other questions both sides are willing arbitrate, and that any other questions involved in the dispute may well be worked out without much delay.

Now, I am advised also that some other propositions have been made from time to time to get around that difficulty and for securing immediate resumption of operations without requiring a consent to arbitration of that, or without at present settling that controversy about preferential hiring of the monthly men; and how close the parties have come together in seeking a way to do that, without either sacrificing any principle that may be considered to be involved, or yielding to the idea of arbitration of that question, I do not know.

I really would like in this hearing to get a frank discussion of those matters and those propositions that have been presented which are intended to bring the parties together or immediate resumption of operations, leading to further investigation and negotiation and consideration the question that is impossible, it seems, to be settled at this time, and that, if nothing is done immediately by way of opening the harbor and getting around that question, will serve to protract the strike conditions and close the harbor indefinitely.

The public interest, of course, in the situation is greater

than the immediate interest of the parties to the controversy. The harbor is a public facility, and its operation is imperative to the welfare of hundreds of thousands of people directly and indirectly, and the general welfare of the State.

I have stated publicly, and I repeat here, that in view of these tieups from time to time interrupting the free transportation and handling of cargoes through the harbor, the State ought to take over the operations of the harbor and all employments having to do with this particular controversy -- for instance, to insure a continued operation of it.

I have in mind recommending, and intend at the present time to recommend, to the special session of the Legislature, to be held sometime in January, or probably not later than the first of February, amendments to the State Harbor Commission Act so as to give authority, at least in case of emergencies of this kind, to take over all of the operations on the State Harbor premises, including deliveries and checking of cargoes through the harbor in which those involved in this dispute are or have been heretofore employed.

No one more than I wants, however, to secure a settlement so that amicable and cooperative relationships could go ahead between the employers and the employees of this harbor without the State stepping in to take over the operations. I do not know that my effort at this time, or any effort I have made in the past in appointing this committee will bring that about. I want to exhaust that effort, however, at this time and approach

that the immediate interest of the parties in the proceeding, the nature in a public facility, and the operation is impossible by the existence of numerous or complex directly and indirectly, and the general welfare of the people.

I have stated previously, and I repeat again, that in view of their status from time to time interpreting the free speech provisions and assisting at response through the judgment, the state ought to keep open the jurisdiction of the bureau and will equipment having to do with this regulatory commission -- the commission, we feel, a constitutional consideration of it.

I have an also recommendation, and leave it for present time to recommend, on the special session of the legislature, to be held shortly in January, or probably not later than the first of February, concerning the full-time judicial officer, not to be a full-time officer, but to have to do more of responsibilities of this kind, to make very all of the questions on the state utility problems, including individual and domestic of engaged through the bureau to which cases involved in this activity are left from interference involved.

We have been down 1 month, however, in answer a particular to take complete and comprehensive principle to about increase the complaints and the employment of this bureau without the time required to be taken over for correction. I do not know that my action as this time, or any others I have made to Mr. over to complaints this committee will arise out about, I want to mention that either, however, in this time and according

1 such a discussion of proposals on either side here in the hope
2 that it may be engaged in with a spirit of cooperation and that,
3 as much as possible, there may be dissipated the lack of
4 confidence or suspicion of one side against the other in con-
5 nection with the question of good faith on the part of either
6 in this controversy.

7 I am rather an idealist myself. I am inclined to think
8 that this difference is largely due to lack of confidence on
9 one side toward the other -- on each side towards the other --
10 a lack of the spirit of cooperation, a belief on the part of the
11 employers that the union really wants to press its power to the
12 point of running the employers business, and including its
13 executive business -- having the say about that; and the union's
14 feeling that the employers want to so handle the monthly men
15 and daily men and the matter of hiring as to destroy the union
16 and really make collective bargaining with respect to conditions
17 of employment and security of jobs impossible, or to destroy
18 them.

19 I am hoping that in course of time these attitudes will be
20 changed and there will be substituted therefor an attitude of
21 cooperation and confidence. The services that both employers
22 and employees are performing in this matter are not just their
23 selfish interest. They are semi-public services. They are
24 services that involve trusts and responsibilities to the public.

25 I merely make these few preliminary remarks by way of trying
26 to state my own state of mind about the situation. And now I

[illegible]

[illegible]

[illegible]

would like to ask who is here as spokesman or spokesmen for the employer interests.

MR. GREGORY A. HARRISON: I am appearing here, Mr. Governor, on behalf of the employers.

GOVERNOR OLSON: Mr. Harrison.

MR. HARRISON: Yes.

GOVERNOR OLSON: And who will appear here as spokesman for the union?

MR. HARRY BRIDGES: I will speak for the union.

GOVERNOR OLSON: Mr. Bridges.

MR. BRIDGES: Yes.

GOVERNOR OLSON: Now, in order that we may not -- time will not permit our going over an unnecessary lot of background which is shown in the report of the committee that I appointed concerning the matters leading up to this dispute, but I am going directly to the point of trying to find whether we can have the employees go back to work and open this harbor and agree on the things that can be agreed on, or their manner of settlement, and leave open to negotiation those points of difference which seem to make such an impasse in the whole picture.

I have before me what I understand to be a proposal that was made to that end, reading as follows:

1. The strike should be called off immediately and work resumed under the conditions prevailing prior to the strike.

2. Following resumption of operations, parties to the controversy shall immediately negotiate, mediate, and, if necessary,

would like to ask who is going to furnish us standard for the engineer witnesses.

MR. MARSHALL A. HUTCHISON: I am planning once, Mr. Chairman, on behalf of the engineers.

CHAIRMAN TAYLOR: Mr. Williams.

MR. LEONARD: Yes.

MARSHALL HUTCHISON: And we will appear here to recommend the same course.

MR. HARRY WILLIAMS: I will speak for the water.

CHAIRMAN TAYLOR: Mr. Dunham.

MR. WINSLOW: Yes.

CHAIRMAN TAYLOR: Now, in order that we may -- this will not permit our acting even as subcommittee, but if Mr. Hutchison's views is shown in the record of the committee then I especially commend the criterion leading up to this discussion, but I do going diversely to the point of trying to find whether we can have the assistance of both of our engineers and upon this manner that score to the matter that we may be served by, or their record of assistance, but there seems to be unanimity in regard to the point of difference which we are made ready to insist in the public interest.

I have noticed we have I understand in a response that was made to that end, reading as follows:

1. The water should be valid air impermeability and pressure under the conditions prevailing prior to the storm.

2. Following examination of operations, provided by the protective shall immediately negotiate, welfare, and, if necessary,

arbitrate all issues in dispute except the question of preferential employment of monthly clerks as contained in Parts One and Two of the union's four basic strike demands.

3. The committee appointed by the Governor shall immediately begin an investigation of the problems inherent in the question of preferential employment as constituted in Parts One and Two of the above mentioned union strike demands and shall recommend to the Governor, the public and the parties involved in the present dispute an ultimate solution to those problems.

4. The findings or recommendations of said committee shall not be binding upon either party.

I would like to ascertain whether either party has actually refused to accept that basis of immediate resumption of operations. Would you speak for the employers, Mr. Harrison?

MR. HARRISON: Well, I think, may it please the Governor -- I feel that in all fairness to the interests that I represent, that certain comments having been made by the Governor introductory to this meeting, that it is appropriate that we should briefly refer to them first.

GOVERNOR OLSON: I would be glad to have you.

MR. HARRISON: Our first knowledge of this meeting was in a telegram from the Governor dated December 15th, in which we were advised of your request that we should meet with you today. You stated in that wire that yesterday you had received a committee from the union, which had made a formal request for an appointment with you, and that you had told the committee that

1 you desired to hear from both sides. We were not advised in
2 advance of what suggestions might be made here or what might
3 be expected of us here.
4 In the course of the Governor's opening remarks, however,
5 certain reference was made to the fact that there are other
6 than selfish interests involved here, and that we must bear in
7 mind, as indeed we do for our part, that we have a public trust
8 as well as private property at stake, as well as the businesses
9 of the steamship companies; and you may be sure that we are
10 happy and willing in our own interest, if for no other reason,
11 to do everything in our power to see operations resumed immed-
12 iately in this port. On the other hand, we do not under-
13 stand that the ultimate public interest is necessarily served
14 by opening the port under conditions which will not lend them-
15 selves in the future to the giving of proper public service
16 or to the proper performance of the public trust which resides
17 in the shipowners. They do not feel that they can properly
18 discharge that trust unless they are entitled to continue to
19 manage, control and own the businesses which are devoted thereto.
20 And in that connection, I would like to say to the Governor
21 that we have this additional feeling in connection with the
22 Governor's expressed desire that the State undertake public
23 operation of the docks under certain circumstances as exist
24 today: I hardly believe that the Governor can realize, in
25 making that statement, that in reality we have the handling of
26 cargoes and the loading and discharging of ships, and the checking

of cargoes and the receiving an delivery thereof, by ships only because of the public service which is performed. We have cargo to load and discharge, and the necessary duty of loading and discharging it only as an incident to steamship service, and consequently it is obvious that any expropriation by the State of the very businesses which are now being conducted by the steamship companies in this port would be a taking of their businesses, their operations and their property. And while I know that the purpose and the intent of the Governor is to serve a right and proper purpose, you see what the necessary and ultimate result of such action would be. It would mean that a union having declared a strike to accomplish one of its purposes, for the failure of the employer to agree thereto he suffers expropriation of his property and its operation by the State. I believe that when the Governor has given that careful thought he will realize that it is not just, proper, moral or feasible.

And so we come down to the issues as a result of which the union in this instance went on strike. As I understand it, and I think we can all agree, it is the duty of all parties concerned in these industrial differences to engage in the process of collective bargaining to bring about an agreement and a settlement.

The differences involved in this strike have existed for many months, for a considerable time prior to the declaration of the strike. Those collective bargaining negotiations were

1 carried on in the hope that we could arrive at a settlement.
2 It was while those collective bargaining negotiations were being
3 conducted that the strike was declared. The strike was not
4 declared by the shipowners, but it was declared by the union.
5 It was not declared because the shipowners had attempted to
6 seize some right that they had not theretofore enjoyed. It
7 was declared for the purpose of compelling the employers to
8 yield to certain union demands; and it was as the result of
9 that strike and nothing else, that operations in the port of
10 San Francisco ceased; and it was as a result of that strike,
11 and nothing else, that we still do not have operations.
12 The issue upon which the strike hinges, as the committee
13 report from which the Governor read shows, revolves, as the
14 steamship companies see it and are firmly convinced, about their
15 right and ability to conduct their own businesses.
16 Now, I appreciate the Governor's remark that people may well
17 think that these differences exist in this as in other cases
18 because of a lack of confidence of a personal character, which,
19 perhaps should be set aside for the moment.
20 I wish to say to you, Governor Olson, that before five
21 agencies of a public character now, the employers have presented
22 the essential material, the essential facts, the essential back-
23 ground in this dispute, and have demonstrated to the satisfaction,
24 we believe, of your committee, that they have no alternative in
25 the matter if they intend to run their own businesses. For a
26 matter of some years now we have had collective bargaining rela-

1 tionships. During that entire time this, as well as other
2 waterfront unions, have prospered and grown in strength, and we
3 have experienced during that entire time a series of tieups,
4 of job action, and of interruptions to commerce in this and
5 other Pacific Coast ports. And one of the weapons that have
6 been used in that connection is the control of the job among
7 the waterfront workers. We have here now involved the con-
8 trol of the job in a class of work which represents management,
9 which represents control of operations, which represents the
10 receipt and delivery of material to the docks, of cargo for
11 which the steamship companies are directly responsible to
12 shippers. Under those circumstances the companies feel that
13 they have no alternative, and they had no alternative when the
14 strike was declared. They feel that they have no alternative
15 today but to say that they must retain that right; that it is
16 a right that they cannot compromise.
17 Now, when we came here today, Governor Olson, we had not
18 received from your committee any statement, official or un-
19 official, concerning the issuance of a report. We had seen
20 a statement in the public press that such a report had been
21 made. We were led to believe by the public statement that
22 it was made to you for your consideration alone, and we were
23 led to believe that ultimately you would make some statement of
24 your own based upon that committee report.
25 I am hopeful that we can settle this dispute at a very
26 early date. I know of no way that it can be settled except

1 Illuminating. Dealing that matter from this, as well as other
2 manufacturing matters, have discussed and dwelt in minutes, and we
3 have experimented during each motion that a matter of taxing,
4 of job orders, and of investigations to determine in this and
5 other Twelfth Ward cases. And one of the reasons that have
6 been used in that consideration is the control of the job money
7 for manufacturing purposes. In have been one controlled the con-
8 tract of the job in a class of work which performance satisfactory,
9 which requirements demand of commissions, which requirements for
10 quality and delivery of material in the cases, of course for
11 which the elements; commissions are directly responsible in
12 efficiency. Under these circumstances the requirements that that
13 they have in efficiency, and they that be efficiency among the
14 stations are designed. That that that they were in efficiency
15 today and to say that they may that question that it is
16 a right that they account responsible.

17 Yes, when we say have today, commissioner, we not not
18 consider from your committee our statement, efficient of our
19 official, responsible the language of a report. We use a
20 statement in the public power that made I report that have
21 made. In were led to believe by the public statement that
22 it was made at you the year investigation issue, and to view
23 led to believe that fairness we would make such statement of
24 just was based upon that question report.

25 I do honest that be the matter that claims of a very
26 early here. I then at as was that it was a matter answer

through the process of collective bargaining. I know of no way in which we can resume operations without coming to an agreement with the union. And we can only say that we must look upon the suggestion that we should surrender our right to conduct our businesses in this port either to the union or to the State as something to which we cannot agree. We are happy at any time to have from the Governor any suggestion that we may consider which may lead to a settlement of this dispute and a resumption of operations. We will receive any suggestion that the Governor makes, any proposal that the union has to offer. We will meet with them now at any time in collective bargaining as we have at all times been ready to do in the past; but until we have the proposal, until we know what is suggested, and until we have had time to consider it, it is obviously impossible for me to answer the proposals as they are put forward here today.

GOVERNOR OLSON: Mr. Harrison, let me just ask you a question or two, if I may, in order to get clear your position and understand just where the line of difference occurs in recognizing the principle of collective bargaining. I understand that there is no purpose on the part of the employers to avoid the recognition of the union and the collective bargaining principle.

MR. HARRISON: That is correct, Governor Olson, and always has been correct.

GOVERNOR OLSON: Now, I gather also, not only from your

1 remarks now, but from the whole committee report and all,
2 that the preferential hiring proposition as relates to monthly
3 men, however, is an invasion of the managerial sphere or part
4 of the employers' business, and that there should be no union
5 recognition or preferential employment conditions in that area.
6 Is that correct?
7 MR. HARRISON: That is correct, but only partially stated,
8 so far as our position is concerned, Mr. Governor. I say that
9 because, after all, there is a broad background to the whole
10 thing. It is very difficult to sum it up in a few words, and
11 I merely want to say that you haven't stated all of our position.
12 GOVERNOR OLSON: Well, I wanted to make it clear. I have
13 stated it so far accurately?
14 MR. HARRISON: As far as you have gone.
15 GOVERNOR OLSON: Now, in other words, the principle in-
16 volved, and which the employers contend they should not arbitrate,
17 is that a preferential hiring as to monthly men would be really
18 a surrender of managerial work to union control, or to the
19 employees themselves in conjunction with the management.
20 MR. HARRISON: Well, I do not think that is quite correctly
21 stated either.
22 GOVERNOR OLSON: Well, what is the effect of that?
23 MR. HARRISON: The proposals that are involved here, as I
24 believe what you have just read stated -- it involves two proposals
25 of the union, each of which, as we see it, and based upon our
26 experience -- we can, we believe, convince you that it involves

[illegible]

[illegible]

[illegible]

1 the control of the jobs of the monthly clerks. The monthly
2 clerks perform a function in the receiving and delivering of
3 cargo, and other functions on our docks, which makes it
4 imperative, if we are to retain control of operations on those
5 docks, that the job control remain with the employers, and not
6 be passed over to the union.
7 GOVERNOR OLSON: Well, as to the job control in the other
8 classifications of employment -- that is not entirely with the
9 union, is it? As to the daily workers, is the job control with
10 the union?
11 MR. HARRISON: They have a preference as to employment,
12 may it please the Governor; but when I was referring to the
13 other waterfront workers, I was referring to longshoremen and
14 other shore employees who work with the clerks and where the
15 job control, whether by agreement or not, is complete.
16 GOVERNOR OLSON: The job control in the union?
17 MR. HARRISON: Yes.
18 GOVERNOR OLSON: Well, that really is the preferential
19 hiring system that they desire to extend to the monthly clerks?
20 MR. HARRISON: In its essence. In its essence, that is
21 true.
22 GOVERNOR OLSON: And that hiring system, however, merely
23 is security for those who are employed, or gives preference to
24 those who are employed, instead of a free opportunity to go
25 outside and select others? Is that it?
26 MR. HARRISON: No, that is not quite correct. I would be

very glad to go into the longshore agreement with you. The longshore agreement which has existed here for some years provides, in the first place, for preference of employment to the union. In the second place, it provides for a joint hiring hall, with the dispatching of the longshoremen passing through that hall, theoretically jointly controlled and jointly supported.

GOVERNOR OLSON: By "jointly" you mean by employers and employees?

MR. HARRISON: Correct.

GOVERNOR OLSON: And the hiring is done jointly, then?

MR. HARRISON: No, it is not. If I may finish --

GOVERNOR OLSON: Well, is it theoretically done jointly?

MR. HARRISON: Theoretically; but actually there is a union dispatcher; there is complete union control of the job -- so complete that the employers representatives today have no right or voice in the selection of longshoremen who shall work for them from time to time, even temporarily; so much so that within the past six months all of the longshoremen who had theretofore received their regular employment from single companies can no longer take that employment, and do not, and all of the longshoremen of this port have changed from partially permanent and partially casual employees to completely union dominated and controlled rotating daily employees. That is what has occurred to us. And along with that has gone a history of hundreds of job actions and interruptions to the commerce of this port

through control of the job by the longshore union of the International Longshoremen and Warehousemen's Union; and it is that control which is about to be imposed upon the employers in connection with their monthly clerks.

GOVERNOR OLSON: Well, is that control in the longshoremen operating badly, then? Is that your position?

MR. HARRISON: Extremely badly, yes, Mr. Governor.

GOVERNOR OLSON: Then, just what situation would you say should obtain there? A different one than the preferential hiring?

MR. HARRISON: No. After all, there is a difference between suffering because of the difficulties that we have with the longshoremen with their class of work, and extending that same type of suffering to the very much more important positions to us of the monthly clerks; and whereas we are unhappy, Mr. Governor, and whereas we would like a change, we are also practical people, and we are seeking not any change, but we are seeking not to have the evil extended to a point where it is very much more aggravated and very much more serious, and, as we see it, will ruin the businesses.

GOVERNOR OLSON: Well, is that evil collective bargaining and unionism? Is that in effect?

MR. HARRISON: No, I thought I had made our position clear on that, Governor. For now some five years we have been engaged continuously in collective bargaining with all of the numerous seafaring and shore-side unions, representing our employees.

We have had collective bargaining agreements through that entire time. There has never been any attempt to avoid that obligation. On the contrary, when the maritime labor board, who is the official mediator for the Federal Government here, was invited into these disputes, we have always accepted their offices and entirely cooperated with them in their efforts to mediate. So that there is neither the question of collective bargaining nor of unionism. On the contrary, we seek collective bargaining, and we know of no way in which we can settle this except in collective bargaining.

GOVERNOR OLSON: Well, the purpose of the union in collective bargaining is job security, is it not?

MR. HARRISON: Well, I would prefer that you ask Mr. Bridges for the viewpoint of the union.

GOVERNOR OLSON: Well, I wanted to get your idea of just what form of collective bargaining you feel is not an evil.

MR. HARRISON: I have no feeling that any collective bargaining is an evil; and if I may make it in some form of statement, Mr. Governor, where it is made perfectly clear to you, I would like to do it.

GOVERNOR OLSON: I may have misunderstood you. I thought I understood you to say the application of this in the case of the longshoremen is an evil.

MR. HARRISON: No, not at all.

GOVERNOR OLSON: Which they seek to extend to the monthly clerks?

[illegible]

[illegible]

[illegible]

1 MR. HARRISON: You must distinguish, Governor, between
2 collective bargaining and the duty of the employers to accede
3 to every proposal that, say, Mr. Bridges may make to us.
4 It is our duty to meet with him; it is our duty to negotiate;
5 and it is his duty to negotiate with us -- a duty which he
6 observes when he feels like it. Now, when we do negotiate
7 with him, we are not obliged to accept every proposal of Mr.
8 Bridges or be accused of refusing to collectively bargain;
9 and if we refuse to accept his proposals we cannot be said to
10 be repudiating the public interest or opening ourselves to an
11 attack by the State.
12 GOVERNOR OLSON: Well, I want to try to find out that line
13 of demarcation between what is the sphere of purely managerial
14 or executive work in the employers' situation, to which the
15 recognition of the union should not be applied.
16 MR. HARRISON: Well --
17 GOVERNOR OLSON: And we referred to the longshoremen
18 situation as being what is called a closed shop situation; and
19 I suppose the same situation applies to the daily clerks and
20 the casual clerks, does it not?
21 MR. HARRISON: Well, I would say that our view, Governor
22 Olson, is very similar to the first two parts of your committee
23 report that you read. I think that that is in accordance with
24 our view. And I feel as to these matters, as to what the
25 union seeks to accomplish, as to the purposes of their proposals,
26 which are entirely new, and which they have never had before

[illegible]

1 and for which they are on strike -- I think that they should
2 speak, and we should not be interrogated.
3 GOVERNOR OLSON: Well, I just wanted to follow up to see
4 where the managerial work exists in the clerks and checkers
5 situation.
6 MR. HARRISON: Well, as I say --
7 GOVERNOR OLSON: Now, are the daily men and the casual men
8 considered in the managerial services and should not come within
9 any preferential hiring?
10 MR. HARRISON: Well, I don't know just what you consider
11 managerial, Mr. Governor. I think, as I expressed myself,
12 and if I may express it in my own way: It is the conviction
13 of the owners that the proposals that are before them concerning
14 the monthly clerks will prevent the companies from exercising
15 the management that is necessary to conduct their operations.
16 Now, as to whether you would consider or Mr. Bridges would con-
17 sider that a particular matter which is within the category of
18 management, I don't think enters into the question so far as we
19 are concerned; I do not understand that that is germane to the
20 dispute between us, and I think that questions of that character
21 can only lead to debate, and not to an agreement.
22 GOVERNOR OLSON: Well, I was just wondering how we could
23 narrow down the matter in dispute.
24 MR. HARRISON: Well, I think I can answer that, Mr. Governor,
25 in this way: That we have been before your committee for some
26 time; we have offered them all of the material that we could; we

1 have given them all the information that we could, and we have
2 with many other agencies. It is our conviction, and a con-
3 sidered conviction, that the management of our business
4 requires that we have control over the jobs of the monthly
5 clerks, and not the union. We have taken that position --
6 GOVERNOR OLSON: Well, is there any difference --
7 MR. HARRISON: And any attempt to take away from that posi-
8 tion is simply an attempt to secure the demand of the union.
9 GOVERNOR OLSON: Is there any difference between the work
10 of the monthly clerks and the daily clerks so far as responsi-
11 bility is concerned in the handling of cargo and its delivery?
12 MR. HARRISON: Yes. I suppose, Mr. Governor, you might
13 restrict that to some extent and get a favorable answer, but in
14 general that is not true. In any event, may I point out to you
15 that that argument, frequently advanced by Mr. Bridges in our
16 meetings and before your committee, is answered thuswise: We
17 have still the monthly clerks, to which positions the daily
18 clerks may be promoted. We still have the job control of the
19 monthly clerks, and can conduct our operations. That situation
20 obtains now, and did obtain until this strike.
21 GOVERNOR OLSON: Well, now, let us --
22 MR. HARRISON: But if you have, or if Mr. Bridges has any
23 proposals --
24 GOVERNOR OLSON: Well, now, let us get to this, Mr. Harrison.
25 MR. HARRISON: Well, I think, Mr. Governor, if I may finish --
26 GOVERNOR OLSON: Yes.

1 MR. HARRISON: I think that after all, in all fairness
2 to us, we came here with no warning of what this meeting was
3 to be. I think that if Mr. Bridges has any statements that he
4 cares to make, or any views he wishes to advance, I would be
5 glad to listen to them; and if they seem appropriate I will
6 answer them. If there are any arguments to be made, we will
7 do our best to state our position. If there are any proposals
8 to be made, we will be very happy to consider them.
9 GOVERNOR OLSON: Well, Mr. Harrison, what about this
10 proposal I just read here -- you recall it -- which does not
11 involve any accession on the part of the employers to the demand
12 of the union for preferential hiring of monthly men, but does
13 involve immediate opening of the port -- and that is what I am
14 trying to get to -- what about that? Is there anything in
15 that proposition that the employers cannot accept?
16 MR. HARRISON: Well, I would be very happy to consider
17 any proposal, Governor Olson. I have not had the pleasure of
18 knowing that this proposal was to be made today, and neither
19 have any of my principals. So if you will present it to us
20 we will consider it.
21 GOVERNOR OLSON: I am going to present it right now, and
22 I am going to ask you --
23 MR. HARRISON: And if Mr. Bridges will let us know whether
24 such a proposal is acceptable --
25 GOVERNOR OLSON: I am going to ask Mr. Bridges the same
26 question right now -- whether you can't both agree on that? It

1 does seem to me there is no yielding on the part of either,
2 then, on the final determination ultimately of this very much
3 controverted point of preferential hiring of the monthly men,
4 and I would like to have your attitude toward that proposal,
5 and also Mr. Bridges. I am thinking now not that we could
6 possibly here go into a settlement of the point of difference
7 that is involved in this strike, but that we might bring the
8 parties together on these points for resuming operations, and
9 letting the matter remain for argument and negotiation and
10 investigation without strike conditions to future determination.
11 That is what it really means. What do you say to that proposi-
12 tion, Mr. Bridges?
13 MR. BRIDGES: Well, first, Governor, on the proposition
14 itself: If it means what I think it means, we can give an
15 answer in a very short time. As I heard the proposition, it
16 can contain the principle where the union can return to work
17 with sufficient guarantee against discrimination pending the
18 outcome of the dispute one way or the other. I think that is
19 the first requirement to settle this dispute; and we are as
20 anxious to get the port open in our own interest and in the
21 public interest, as much as anybody. I think it might be
22 said that we have done as much in the public interest as even
23 the employers. If the first statement in there means that
24 the men return to work with adequate guarantees of discrimina-
25 tion -- and by that we mean that if negotiations and arbitra-
26 tions drag on for three months -- the men at present working in

the industry shall not be fired from their jobs, or men that were in those jobs before the strike broke out shall not be fired from those jobs, or men that were in those jobs or on the waterfront now shall not be prevented from getting advanced or promoted, or from filling other jobs by new men taken from outside of the industry -- that at least as a basis for returning to work should be satisfactory to us, and I think it is.

On the other questions, as to what is going to be done with those issues in dispute, if it doesn't mean that the union give up all right for the basic issues that are both separate and apart -- preference of union employment, and registration of all men now in the industry -- if it means that those things are not just thrown aside and we give up all hope of them, I think we can work out that part where it is satisfactory to the union. If it means, however, that it requires the union to give up all hopes of those things, I doubt if the union can accept that as a basis of returning to work, because we had that offered to us by the employers before we ever went on strike, and we could have agreed to that before we went on strike, and possibly there would be no trouble. But it asks the union, in effect, to give up its union.

On the other issues -- the issues of the equalization of the earnings of the daily men and the reduction of hours from 44 to 42 a week -- I think they are minor points in this whole dispute, comparatively speaking; and I don't believe that we

1 sale taxpayer shall not be first upon their jobs, or who only
2 work in those jobs before the strike begins but would not be
3 fired from their same jobs, or who hurt when it comes time to do
4 the waterfront work would not be prevented from getting advanced
5 or promoted, or from filling other jobs by who has been there
6 seniority of the industry -- that of course is what we mean
7 referring to work should be noninterventionist in us, and I think
8 it is.

9 On his other amendment, he is stuck in giving to be done with
10 there seems to dispute, if it doesn't seem that the union
11 give up all rights for the whole length when the jobs involved
12 and start -- performance or salaries negotiated, and negotiation
13 of all and not in the industry -- if it seems that those things
14 are not just thrown aside and we give up all hope of them.
15 I think we can work out that just where it is negotiating in
16 the union. It is unless, however, that it involves the union
17 to give up all hopes or those things, I mean if the union has
18 already that as a basis of negotiating in work, because the
19 that offered to us by the employers without the after work on
20 strike, and we could have started to that before we first on
21 strike, and possibly there would be no trouble. But it does
22 the union, in effect, to give up its rights.

23 On his other issues -- for reasons of the equalization of
24 the matching of the daily and the time reduction of hours from
25 44 to 40 a week -- I think that was about united in that union
26 deserve, comparatively speaking; and I don't believe that on

would have had any trouble in getting those points negotiated or arbitrated prior to the dispute, if the other two questions were not at issue.

Now, that is about as brief as I can make our position on that proposal at this time. I notice your proposal says to "negotiate, mediate, and if necessary arbitrate those issues." I don't quite understand it. Apparently it is necessary to arbitrate them now. Neither side can agree. The committee to find the facts hasn't found any facts. They have agreed that the subject is so deep and complex that they don't know the answer. And any fact finding committee that calls in one side and listens to it, even though material and evidence is submitted, the other side is not there to challenge the authenticity of that evidence and they are not there to challenge any witnesses that are called in -- in such a case facts are not found, and all we get out of hearings like that is opinions -- and I don't think that this dispute will be settled on opinions, because our opinion differs somewhat possibly from the opinion of the employers.

Now, as for the Governor's remarks in the first instance on the opening of the port, I want to say that as far as the union is concerned, we don't regard the State operation of the docks as expropriation. As a matter of fact, the union's position is simply asking the employers to give us the same rights as State employees enjoy under the present State administration. And I don't think --

GOVERNOR OLSON: Right there, Mr. Bridges: Under past practices, under the employments and the conditions that obtained when this strike occurred, what men employed at the docks besides the longshoremen under the contract that existed, were subject to preferential hiring that you are seeking to extend to monthly men?

MR. BRIDGES: The daily preferred clerks and the daily casual clerks.

GOVERNOR OLSON: What do they do?

MR. BRIDGES: The daily preferred clerks do in cases the same work as the monthly clerks, and the monthly supervisors. Daily casual clerks generally fill in on this, that or the other dock during a peak of work. So we have three categories of clerks on the waterfront: We have monthly clerks, that are employed by the month. And these monthly clerks work 190 hours per month, and they get $160.00 per month. The daily preferred clerks are employed and preferred and selected by any company, and work as regular men for that company, and they work 160 hours a month for $160.00 a month. In other words --

GOVERNOR OLSON: Are they hired through the preferential hiring system?

MR. BRIDGES: Neither monthly clerks nor daily preferred clerks are hired through the preferential hiring system, in so far as it means that the employers call the union and the union sends down any man they wish. Preferred clerks are just what the name implies. The employer calls the union, and he says,

"I would like to have Mr. so and so work for me as a preferred clerk," and the union is obliged to give the employer Mr. so and so as a preferred clerk. So far as all monthly clerks are concerned, the employer can hire whom he pleases, hire them from where he pleases, and fire them when he pleases, and for any reason that he pleases -- which is open shop and destructive to our union; our union cannot exist under those circumstances.

GOVERNOR OLSON: Why not?

MR. BRIDGES: Governor, we are not at liberty and we certainly don't agree with the employers' statements; and, of course, all we have in a hearing like this is that one side makes their statement and the other side makes their statement. Our experience with the waterfront employers has been that when they have a choice between a man on the one hand who is not a union man and a man on the other hand that is a union man, and all qualifications and the man's ability being equal, the union man is always fired first, and always hired last.

GOVERNOR OLSON: Well, is this preferential hiring proposition that is involved as the stumbling block in the settlement of this controversy, the demand of the union that it extend to the monthly men as it has been applied to the daily men, or is it a different manner of application involved as to all men?

MR. BRIDGES: It is the same application, Governor. We are asking that, first, preference of employment be given to the monthly men who are members of the union, the same as prefer-

ence of employment is already given to daily preferred men who are members of the union. We are asking, second, on the question of registration, that all men on the waterfront be registered -- union and non-union -- and the employers have their free selection of those. I want to say that the union has not attempted at any time, and has always guaranteed the employers their full and free selection of any man in the industry, and they shall be the sole choice of who they want to work for them. There has been no attempt to rotate the men.

GOVERNOR OLSON: Suppose they don't find anyone on the list for a particular duty that they feel they want a more competent man for: Can they go outside and hire a man for that purpose?

MR. BRIDGES: They can, providing they can't find a man on the waterfront, regardless of whether he belongs to the union or not, that has got sufficient experience, qualifications and ability to fill that job, then they can go anywhere.

GOVERNOR OLSON: Is the union trying to advance the circle of its power among the employers to run the employers business?

MR. BRIDGES: Not so, Governor. The union contract specifically provides -- the only contract of its kind on the Coast dealing with the same employers and the same employees -- that executives are exempt from the contract; and also we have an apprentice clause in there which allows the employers to put as many apprentices to work as they desire. We desire to put some restrictions on the number, as is usual in all trade

union contracts; but they have an avenue in those two clauses, and we don't try to interfere with their selection of executives or control of their executives. We do ask, however, that the ordinary clerk on the waterfront be protected by the union, as against the employers' position that simply by calling a man a supervisor that makes him a supervisor.

GOVERNOR OLSON: You say that the object of the union is job security for those who are employed, and that their preference be on a merit system basis similar to the State civil service?

MR. BRIDGES: Solely that, Governor. If we were granted that, that would settle the strike so far as we are concerned immediately.

GOVERNOR OLSON: What do you consider to be the real causes of difference in arriving at a cooperative understanding with the employers? If there is a real good faith purpose to perform the services efficiently, to have it done by competent and responsible men, and to keep peaceful relationships between the employers and the employees, what is the real basis of the trouble? Is it economic in nature, or what is it?

MR. BRIDGES: It is both economic and political, and possibly other things, Governor.

GOVERNOR OLSON: Well, what other things?

MR. BRIDGES: I will say -- well, I will try to go into one thing at one time.

First of all, these employers have not accepted our unions yet. They are still running away with the idea that

allis accepted; but they have at stated in some two chances, but we don't try to interpose with their selection of subpoenas on behalf of their respective. In fact, however, that the defendant claim on the subpoenas is prepared by the attorney, as counsel for respondent, instead that should be calling a man a subpoena that issue his a subpoena.

[illegible] Then why that the origin of the issue is for security that those who are subpoenaed, and that their testimony be on a basis equal with the [illegible]

MR. [illegible] Totally [illegible], Commissioner. If we were [illegible] that would settle the matter so far as we are concerned immediately.

[illegible] Has no pre-judgment or be the [illegible] of difference in getting at a cooperative understanding with the subpoenaed. If there is a real [illegible] [illegible] the service efficiently, to have it done by [illegible] [illegible] was, but is that [illegible] [illegible] subpoenas [illegible] that is the real basis of the [illegible]. If it [illegible] [illegible], or what is it?

MR. [illegible] It is [illegible] [illegible], [illegible] [illegible] [illegible].

[illegible] Well, what other [illegible]?

MR. [illegible] I will say -- well, I will [illegible] [illegible] the [illegible] [illegible].

Right of all, these subpoenas have not [illegible] [illegible] [illegible]. They are still [illegible] [illegible] [illegible]

they can wreck these unions and put them out of business. We say no, and we don't think it will be done. There has been a change in the country in the past few years. We have to guard ourselves at all times against the guerilla warfare that goes on against our unions. I don't believe this is true of all employers on the waterfront; I don't believe it is true as to most of the foreign shippers on the waterfront, because every foreign ship that comes into this Bay is union from top to bottom, from the mates, engineers, the radio operators -- they are under union contract with union preference to put those men in those jobs.

So here is a battle that has been fought out in the foreign countries thirty years ago, but the American shipowners in this port don't recognize it, and, like many other big industrial executives and units in this country, they have not reconciled themselves to the fact that unions are here to stay. And that is the first point, and that is one of the fundamental differences here, and one of the fundamental things behind this.

-

-

-

-

-

-

-

On the second point, the question of economics extended further, the simple question here is that a monthly man works 190 hours a month for $160.00 a month, and the more monthly men they can get and have free from any restriction by the Union, the more men they will have working 30 extra hours a month for the same amount of money as the daily men. In other words, the monthly man works 190 hours a month for $160.00 a month, and when they hire a man by the day they only get 160 hours a month out of him for $160.00 a month. Therefore, it is purely economic for that reason; and so far as their responsibility is concerned, there are just as many men on this waterfront working by the day whose jobs are interchangeable and have the same responsibility as any of the monthly men down there embraced by the agreement, excluding executives and apprentices. We can produce witness after witness who is working now as a daily supervisor, who signs and receives and bears an equal amount of responsibility, and in some cases more responsibility, than the monthly men that they are talking about; and they are employed by the day, and they are only employed by the day because it is cheaper for the employers to employ them by the day. They haven't got the volume of business to keep those men busy for a full month; because there are some companies down here that may only get one ship or two ships a month, and therefore, having only one or two ships a month, they can employ a daily supervisor that works, say, two weeks out of a month, and they don't have to pay him a regular full monthly

1 salary; whereas when they have got a sufficient volume of
2 business -- say, one ship a week or two ships a week -- it is
3 cheaper for them to employ a man by the month, because he does
4 30 hours more work a month for the same amount of pay. And
5 that is the whole thing involved here, and all the other stuff
6 about responsibility is just so much talk, and it can be proven
7 before any impartial arbitrator or proper tribunal, with the
8 proper evidence being produced and the proper witnesses being
9 called.

10 GOVERNOR OLSON: Well, now, I have got your statement as
11 to that situation, and Mr. Harrison's. Now, what I want to
12 get down to again is to ask you definitely about this proposal,
13 and this is a proposal that I understood was made before the
14 committee appointed by me reported; and I want to get back to
15 it again and see whether we may dispense with all controversy
16 about point 1 of the Union's demand at this time and get the
17 port open on this basis -- and I will read it again:

18 "1. The strike should be called off immediately and work
19 resumed under the conditions prevailing prior to the strike."

20 And this would involve guarantees, assurances that there
21 be no discrimination, of course, against any one, any union
22 man or person for participating in the strike.

23 "2. Following resumption of operations, parties to the
24 controversy shall immediately negotiate, mediate, and, if
25 necessary, arbitrate all issues in dispute except the question
26 of preferential employment of monthly clerks as contained in

solely whether what they have got is a worthless piece of
business -- say, the only is what it was going a year -- if it is
adequate for them to employ a man by the month, [illegible] is there
an annual merit rate a raise for the whole amount of pay. The
fact is the whole thing involved here, but all the other must
meet principalitly is just so much cash, and it may be [illegible]
before any important negotiator or employer believed. The
report criticizes being reduced and the proper criterion being
unfair.

[illegible] Well, now, I have got your testimony in
the last discussion, and it, [illegible]. Now, what I want to
get done is right if is was the definitely [illegible] [illegible]
and this is a proposal that I [illegible] [illegible] the
committee [illegible] if we [illegible] [illegible] I want to [illegible] [illegible]
it state [illegible] [illegible] [illegible] [illegible] [illegible]
about page 2 of the [illegible] [illegible] [illegible] [illegible]
page open [illegible] -- but I will read it [illegible].

"1. The [illegible] should [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible] [illegible].

[illegible] [illegible] [illegible], [illegible] [illegible]
be [illegible], or [illegible], [illegible] [illegible] [illegible]
[illegible] or [illegible] [illegible] [illegible] [illegible].

"2. Voluntary [illegible] of [illegible], [illegible] [illegible]
[illegible] [illegible] [illegible], [illegible], [illegible], [illegible]
necessary, [illegible] [illegible] [illegible] [illegible] [illegible]
of [illegible] [illegible] [illegible] [illegible] [illegible] [illegible].

Parts One and Two of the Union's four basic strike demands.

"3. The committee appointed by the Governor --", and I would say in this instance, another committee or a special committee of three to be appointed by the Governor -- "shall immediately begin an investigation of the problems inherent in the question of preferential employment as constituted in Parts One and Two of the above mentioned union strike demands and shall recommend to the Governor, the public and the parties involved in the present dispute an ultimate solution to those problems.

"4. The findings or recommendations of said committee shall not be binding upon either party."

Now, can you say, speaking on behalf of the Union, whether the Union, if the employers are willing to give that guarantee of no discrimination on account of the strike or against any union, but to go back under conditions prevailing prior to the strike, and settle the other matters, aside from the preferential hiring of monthly clerks, by arbitration; or if negotiations fail, are you willing to go back and in the interest of the public have this harbor opened immediately?

MR. BRIDGES: Well, we are willing to go back in the interest of the public immediately, Governor, provided that there will be no discrimination against the men, and providing there will be some definite assurance that the issue will be settled; because to go back without it being settled will just possibly bring it up again in the near future.

Now, that recommendation begins from the wrong premise,

because it terms two issues preferential hiring. It says preferential hiring as covered by points one and two, whereas the two issues are entirely separate and different.

GOVERNOR OLSON: Well, now, do you mean registration is different?

MR. BRIDGES: Registration is different.

GOVERNOR OLSON: Well, is there any objection to the registration of all men in the employment? Is there any objection on the part of the employers?

MR. BRIDGES: Only in San Francisco, Governor; nowhere else.

GOVERNOR OLSON: Well, I don't know. I haven't asked Mr. Harrison. I don't know what objection there would be to registration of all persons. What does it mean, in the first place?

MR. BRIDGES: I can tell you what it means, Governor, despite all arguments to the contrary. Preference of employment means, as we put it out as a strike demand, preference of employment of men from the Union as long as they are available, and it means that the employer as long as he can get a union man first takes a union man and nobody else, and if union men are not available then he can take somebody else. Now, that is an entirely separate question from registration. Registration means this: It means that in the Port of San Francisco there is a certain flow of commerce the year round, and that flow of commerce requires a certain number of men normally speaking to handle that commerce, and it has no relationship to membership in the union or union affiliation or preferential

hiring. We will suppose that the amount of commerce that moves across the docks in San Francisco requires a thousand men the year around to check that commerce on and off the docks. Registration means that with that figure taken as a base, the number of men kept on this waterfront the year round would be an average of a thousand men, and that before the industry was overridden by a thousand more men, that both sides would get together, and maybe with some third party, and make a survey and determine that the industry would need another thousand men. That is what registration means, and that is what we are asking for.

GOVERNOR OLSON: Well, has registration ever been in effect here before?

MR. BRIDGES: On the waterfront?

GOVERNOR OLSON: Yes.

MR. BRIDGES: It was in effect with the clerks in 1937.

GOVERNOR OLSON: It was abandoned then?

MR. BRIDGES: It was abandoned then.

GOVERNOR OLSON: Do the employers object to the registration of employees?

MR. BRIDGES: Very definitely, Governor, and that is where the union busting comes in. You can understand there is only work for a thousand men on this waterfront, a thousand checkers, and the employers have the right -- the sole and unrestricted right, without interference from the Union, to put another thousand checkers down there; they can create intense competi-

tion for the jobs, and that destroys any union. That is exactly the situation that was on this waterfront from 1919 to 1934 under the company union.

GOVERNOR OLSON: Then there are two essential points of difference, which seemingly cannot be arbitrated by agreement of both parties, and cannot be settled now, and both of them are the reasons that the port is closed? The other matters could be negotiated and settled by arbitration, as I understand it. Is that correct?

MR. BRIDGES: Well, the question of registration could be settled by the State taking over the docks, because even under the State --

GOVERNOR OLSON: Well, I understand that point. The whole thing can be settled that way. But I mean what agreement can we get here? In other words, these two points you say are separate -- the preferential hiring of the monthly men and registration are two separate points. Now, you have never been able to get together on them. You cannot agree between yourselves that they may be submitted to arbitration. So the matter of further investigating them without giving up the contention for their ultimate achievement on the part of the Union, and without the employers giving up their position of opposing them, can we still get you back to work and open the port here? That is what I want to get at by this proposal; and I will appoint a committee to search the question and continue to seek a means of solution of it -- and I might

consult both sides as to constituting that committee. It may serve to help. Certainly we couldn't do it this afternoon, when all the negotiations which have heretofore occurred have failed. We are right up to the point of finding out whether those questions can be passed on for future settlement, and the port operated now while it is being considered in some form or another. That is what we want to get at here.

MR. BRIDGES: In other words, it is a question of how they will be passed on for future settlement, Governor.

GOVERNOR OLSON: What?

MR. BRIDGES: It is a question of how they will be passed on for future settlement. The whole history of labor relations on the waterfront shows, and we have many documents and letters from the employers where both of these questions have been arbitrated numerous times before, especially the question of registration and especially the question of preference of employment -- they have been arbitrated by the same employers and the same unions. If we allowed it, there might be an argument over the question of preference of employment. There can be no question about the arbitration of registration, and it doesn't couple up with preference of employment, and coupling it up with preference of employment misleads one. And so far as returning to work is concerned, if we return to work under a setup where another body might make an investigation and then make recommendations that neither side have to accept, it seems to me that we are not working to any end to settle this thing.

1 That is the objection that we might have to the proposal. The
2 two issues, in my opinion, can be divided in so far as prefer-
3 ence of employment and registration are concerned. The proposal
4 to arbitrate was not the Union's proposal. The proposal to
5 arbitrate came from the United States Maritime Labor Board and
6 the United States Government; and those proposals have always
7 come from the Government, and generally the unions have always
8 accepted them. And this proposal to arbitrate is not the
9 Union's proposal. It is a proposal of the Government, the
10 United States Government, made in the public interest, and that
11 was accepted by the Union and was refused by the employers.
12 Now, we think that inasmuch as that request was made, and the
13 Union in all good faith accepted it, and we had discussed
14 arbitration with your committee, Governor, and they expressed
15 as favorably at that time -- because of that and the urging of
16 the Maritime Labor Board, we accepted it. The employers turned
17 it down. It is wrong to regard that as a union proposal. We
18 accepted it, because we thought that would give an opportunity
19 where all the facts could be presented over a space of time
20 before a third party; that proper witnesses could be presented
21 to discount or support one story or the other. And we still
22 think that that is the proper solution; but to ask the Union
23 to return to work and to leave the things that their very
24 life depends upon up to a commission that can eventually
25 return and make recommendations that neither side have to
26 accept -- I know what the employers' answer to that will be

right now -- that two or three months from now, when your commission or any other commission comes back, they will still say, "We don't want it."

GOVERNOR OLSON: Well, you know, people do change their attitude in time, and sometimes a little patience will accomplish it. I want to suggest this in all seriousness: Suppose a committee were appointed, and each side named one member of that committee, and I named the other -- and I might suggest a name that would be agreeable to both sides. I have in mind a man who I think would do -- and let it be understood that the recommendation of that committee on the subject, contemplating that it will take into consideration the attitude of the employers that they don't want to give up essential control of their own business, if that is involved in the preferential hiring of monthly men, and all other matters -- seeing if really in behalf of all the immediate parties to the dispute and all of the public generally we could arrive at a solution that will be acceptable. Each might back away from a proposition and stay until they know how the personnel of the committee is going to be, that they would not accept its recommendations as binding until they had seen the recommendations -- that I think might be natural; but still I think if a committee so constituted would carry on the negotiations really and also investigate the whole thing and perhaps make new suggestions, that would afford a basis of solution satisfactory to both sides. Now, that is the best means and the only means

and the only way of thinking or doing right now if we are to accomplish an opening of the harbor immediately. I say this, neither side yielding its position with reference to preferential hiring.

Now, so far as registration is concerned, I haven't heard that discussed. I don't know whether there is any objection to registration of all employees on a basis of maintaining a limit within which all immediate employees shall be registered and with a view of security of their jobs. I don't know whether that is opposed by the employers or not. Perhaps it is. But if those two points have yet to be worked out in future, instead of waiting to see which side wears the other side out, by way of settlement, why, there has got to be an attitude of give and take on both sides in order to do that, and there has got to be a little confidence that there may be a change of attitudes in the future that will result in a settlement without strike conditions. It doesn't mean that you cannot strike again if there isn't a final settlement, but it gives us all a breathing spell, and lets us at least work some way out so as to try to avoid another tieup; and that is what I would like to bring about, and I would like to see the parties here now really take a little immediate action on this.

MR. BRIDGES: Well, all that we can say, Governor, is that we have accepted the proposal of arbitration. The position of the Union still remains that they are willing to return to work tomorrow, providing that they can get guarantees

against discrimination pending the outcome of the settlement of the dispute. There need be no change in wages, hours or working conditions, and the employers should be guaranteed their right for the full selection of the men for any monthly jobs, supervisorial jobs, and so forth, and the only element that the Union wants to take care of is that the men that are now in the industry, regardless of union affiliation, that have been in that industry in San Francisco for years, cannot be displaced on a minute's notice and thrown into unemployment without some protection.

GOVERNOR OLSON: Well, those things are all involved in registration and preferential hiring of monthly men.

MR. BRIDGES: That is right.

GOVERNOR OLSON: What I am asking is, can the port be opened now by the men going back to work under assurances that there will be no discrimination, and that the other points may be settled by negotiation or arbitration, except these two points, and that those two points will be studied by a joint committee, at least one member of which will be appointed by each side and one appointed by me, in the hope at least that that will influence a final basis of agreement on the preferential hiring and the registration points.

MR. BRIDGES: And along with that would there be, for example, the fact that if it wasn't satisfactory to the Union -- if they still believed very definitely that their existence was still threatened -- that they could again strike?

quality discriminating against the business of the petitioners in the dispute. Should we be unable to negotiate, there is nothing in the constitution, and for legislative should be constitutional basis right for the full maintenance of the men for any reasonable time, supervisorial time, and so forth, but the only thing that has taken place so far more of it than the use they are now in the industry, regardless of their affiliation, this fact that in that industry in the Pacific for years, resulted in disputes on a minister's matter and forming just constitutional relations were practicable.

Moreover [illegible] this, there indeed was all involved in negotiations and preliminary hiring of counsel was.

Mr. [illegible]: That is right.

[illegible]: Here I am reading in the [illegible] at case by the same point that it most under [illegible] there will be an investigation, and there the union [illegible] in matter of negotiations or arbitration, [illegible] [illegible] and that those the [illegible] will be [illegible] to a [illegible] commission, as there was number of [illegible] will be [illegible] to each side and the appointed by the [illegible] of [illegible] that will [illegible] a final [illegible] of [illegible] the [illegible] medical [illegible] and the [illegible] [illegible].

Mr. [illegible]: The [illegible] [illegible], [illegible] [illegible], the [illegible] that [illegible] is [illegible] satisfactory to the [illegible] if they will [illegible] [illegible] [illegible] [illegible] will [illegible] -- that [illegible] [illegible] [illegible]

GOVERNOR OLSON: Why, certainly; and the employers wouldn't be under obligation; but there would be a good faith attempt to see if that medium of contact and work and investigation and recommendation might work out an adjustment. And that simply means that the issue is alive -- going about trying to find a settlement of it, and still operating the port. If it is not settled, why, we are back right where we were; but it will give hope at least that we may get it settled without a tieup of the port.

MR. BRIDGES: That entails the Union giving up its demands, doesn't it, Governor?

GOVERNOR OLSON: I don't think so. I don't think it entails either side giving up its position. I don't consider it that way at all. Otherwise there would be no occasion for the selection of this committee of three to carry on the work of endeavoring to find the solution.

MR. BRIDGES: There would be no agreement with the committee that its findings would be accepted?

GOVERNOR OLSON: No, I understand that would mean an accession to arbitration on the part of the employers, and they have refused to arbitrate the question. Now, there is no agreement that the employers will accept it; but I figure that the employers will name one of the men, and the Union will name one of the men, and I will name the third; and I think I will name a man that both sides will agree to.

MR. BRIDGES: Well, as to the general mechanics of the

matter, I don't think that the Union could have any objection. It is just a matter of what the committee could accomplish.

GOVERNOR OLSON: Well, we have to hope what the committee can accomplish. It certainly is trying to bring them together and carry on an investigation of it, certainly with a full consideration of the positions of both sides.

MR. BRIDGES: Well, of course, so far as the proposals are concerned, Governor, what I have stated here -- I haven't had a chance to take that proposal up with our committee. The proposal never came from us.

GOVERNOR OLSON: Well, I would like to ask you to do it, as Governor of the State, and I would like to ask the employers to do the same thing, and I am going to ask both sides to do it now if they will, as a final effort to open this port. Now, I would like to hear from Mr. Harrison.

MR. HARRISON: I must confess, Governor Olson, that I thought I heard a few shudders among my friends in the group here when the suggestion was made that perhaps this might result in a temporary operation, and the right to strike remain. I must confess that, plagued as we have been with strikes for many years, plagued with strikes while agreements were in effect, in which Mr. Bridges refused to arbitrate, or where he had agreed to under the agreement -- the prospect now of not settling this thing at all, but of going back for a few days and then being faced with the risk of a strike again, makes me doubt whether our people would feel that it was in the public interest.

matter, I don't think that the Union could have any objection. Is it just a matter of what the committee could accomplish.

CHAIRMAN GLADY: Well, we have to hope that the committee can accomplish. It certainly is trying to avoid that together and carry on an investigation of it, especially with a full complement of the members of both sides.

Mr. [illegible]: Well, of course, so far as the proposals are concerned, however, when I have received here -- I haven't had a chance to view them proposed by both committees. The proposal never came from us.

CHAIRMAN GLADY: Well, I would like to ask you to do it, at overtime or in [illegible], and I would like to see the employers do the same thing, and I am going to ask both sides to do it for my sake, as a final effort to save this year. But, I would like to hear from Mr. Burton.

Mr. [illegible]: I must confess, Chairman Glady, that I thought I heard a few moments ago of talking to the group here when the suggestion was made that perhaps this might result in a temporary operation, and the right to retain counsel. I must confess that, glanced at my watch that seems such trying for many years, plagued with engines which apparently move in circles, in which Mr. Hodges refuses to activate, or where he has signed to waive the requirements -- the proposed one of not retaining this thing as all, but of going back for a few days and then meeting with the plan of a strike again, makes me think possibly our people would feel that it was in the public interest.

GOVERNOR OLSON: Don't you get in the position of a striker, now that we are this close.

MR. HARRISON: I didn't understand you, Governor Olson. I am sorry.

GOVERNOR OLSON: Don't you get in the position of a striker, now that we are this close, if you can avoid it.

MR. HARRISON: No, I will do my best to avoid that, Governor; but I certainly must call your attention to the fact that it is mighty small solace for the employers that perhaps they might be able to continue operations for a while. Now, I agree with Mr. Bridges in one statement that he made, and that is to the extent that the proposals do not settle our difficulty, at least for a breathing spell of a definite term when we can assure the City of San Francisco that, so far as this issue is concerned, at least, we are going to operate -- I don't think we have accomplished very much. However, you have asked us directly as Governor of the State to consider a recommendation which, as I understand it, was made by your committee to you. Is that the proposal, Mr. Governor?

GOVERNOR OLSON: Well, I don't know that it is exactly in that language. I read it here a moment ago, as I read it into the record, and I amplified it with this statement, that there would be no discrimination, and that a committee of three would be appointed. I supplemented that with the suggestion that each side name one of them, and I name the other.

MR. HARRISON: Well, I think that is a very distinct de-

1 parture from the committee's recommendation, and I would like to
2 know when our members meet, Governor Olson, whether you do re-
3 commend the proposal of the Governor's Committee.
4 GOVERNOR OLSON: I wouldn't agree to this sentence, that
5 whatever that committee recommended should have no influence
6 upon the conditions of the new contract. We are hoping that
7 that committee would have some influence at least upon a new
8 contract -- if it isn't binding.
9 MR. HARRISON: Well, we can't help feeling, Governor Olson,
10 that that departure is a very essential departure from the com-
11 mittee's recommendation, for the reason that it would be very
12 difficult, it would seem to me, for the employers as responsible
13 people to enter into any agreement which called for the appoint-
14 ment of a joint committee with a member appointed by yourself,
15 where it was understood that it would influence the ultimate
16 decision of the employers, and then did not do so. In other
17 words, as I see it, there is a distinct departure which makes
18 of your personal proposal substantially the proposal of arbitra-
19 tion. However, as Governor of this State you have requested us
20 to consider your offer, and we certainly will call our members
21 together and consider it. I would like to add that we will not
22 only consider that offer, but any other suggestion that the
23 Governor may make, and any offer that Mr. Bridges speaking for
24 his Union may make.
25 GOVERNOR OLSON: Well, this, it seems to me, Mr. Harrison,
26 is probably the nearest that we have ever come -- the nearest

that any move yet made has come to securing immediate opening of the port, and I do hope that you and your people will agree to it.

MR. HARRISON: You are speaking now of your own, and not the committee's proposal?

GOVERNOR OLSON: I am speaking of my own proposal, and it is substantially as I read the committee's suggestion or opinion. It is the same, only I notice that it would have no influence. What I stated in the proposal I made was that findings or recommendations should not be binding; but I do think it is kind of foolish that it should have no influence; I think it is rather a silly statement to make, even if it did come from my committee.

MR. HARRISON: Let me say this to you, Mr. Governor: Perhaps if you could put yourself in the position of the owners of the ships, and should assume perhaps that some one should come to you and say, "Mr. Shipowner, we will arbitrate with you if you agree to give us some of your ships." Now, under such circumstances I am quite certain that the natural instinct and desire of the shipowners would be to say that they not only would not care to arbitrate it, but certainly would not care to be influenced by an adverse decision. And the attitude of the shipowner in such a case is the feeling of the shipowners in this case: That to submit to your committee with any promise or any indication of any character that they would be influenced by the ultimate decision, would be to represent to

that, and more just what has been in dispute between opposing of his party, and I do know that you and your people will agree to it.

MR. MACDONALD: You are speaking now of that one, and his case presently's response.

COMMISSION CLERK: I am speaking of my own proposal, and it is extraordinarily as I read the commissioner's suggestion to publish it in the press, only I notice that it would have no influence. That I proved in the proposal I made was that failing to publication should not be distinguished; I do think it is also of relief that it should have no influence; I think it is a proper matter to make, that it is the kind of commission.

MR. CAMERON: Let me put this to you, Mr. Commissioner: Supposing if you would put yourself in the position of the members of the union, and should answer judgment that, from one should come to you and say, "Mr. Commissioner, we will arbitrate with you if you agree to give us some of your rights." Now, under your circumstances I am quite certain that the general feeling and desire of the commissioner would be to say that they are only would not care to arbitrate it, but certainly would not have it be influenced by an improper question. And the continuance of the commissioner is such a case is the feeling of the commissioner in this event. That is submit to your consideration with the question or not relinquish of any consideration that they would be influenced by this improper question, could be by proposed to

you that they would be guided by, and as responsible people they would be in effect led into an arbitration agreement.

GOVERNOR OLSON: They can be influenced or not, but this says it should not have any influence; and it seems to me that it is rather ridiculous to have a committee at work on investigating impartially for the purpose of actually avoiding the interruption of the operation of the harbor in the future through some sort of reaching a relationship between employer and employee regarding these disputed points. It should not have any influence -- it should have an influence, as near as I can see, but you do not need to accept it. It is not arbitration. There is no commitment that whatever this committee does say, that you have to take it.

MR. HARRISON: Well, that may be legally true, Governor Olson; but, of course, if we enter into some agreement whereby we participate in a committee proceeding, in which you have appointed a third member, and after your statement that you would hope and expect it to influence the decision of the shipowners already made that they do not wish to surrender what they consider to be the right to manage their businesses -- we think that we would not be dealing in good faith with you.

GOVERNOR OLSON: Well, maybe some middle ground could be found that would convince the shipowners that they would not be surrendering the management of their business any more than they surrendered it by the relation that they have with the longshoremen.

MR. HARRISON: Well, Mr. Bridges, with his long training and persuasive ability, has been trying to persuade us of that for a good many weeks now, Governor, and if there is somebody that has greater power of persuasion than he has, I haven't met him yet. The difficulty arises out of the fact that Mr. Bridges has himself in the position of a man who wants to arbitrate, whether we give him two things or one -- both of which we think belong to us, you see.

GOVERNOR OLSON: Well, I don't know, Mr. Harrison --

MR. HARRISON: As a matter of fact, Governor Olson --

GOVERNOR OLSON: I don't want to engage in a dispute with you about Mr. Bridges' attitude. I don't care to take a position in support of any particular individual's attitude, or to state whether I consider that attitude to be unreasonable at this time. And I might make a statement of what I believe to be an unreasonable attitude and position that you take in some of your statements, and Mr. Bridges might take in some of his, but it would not help this situation out which we are trying to get at now.

MR. HARRISON: That is quite right, Mr. Governor.

GOVERNOR OLSON: But I do feel that the employers ought to consent and the Union should consent to going back and enabling such a committee, which is bound to be impartial and on which both sides have representation, and an appointment made by me of the third man, and at least try through that means, while operations are going on, to see if these two points cannot be

reconciled with the position of the employer that he doesn't want to have the management of his business taken from him and placed in the hands of the Union.

MR. HARRISON: Well, Governor, I think in all fairness I should say to you that it does seem to me that the proposal is in all of its essential characteristics arbitration of what the owners consider their right of management. If it is true that it is a right of management, then it is one in which they don't feel inclined to bend to the wish of another, however impartial, any more than they would care to surrender their property and equipment and ships at the request of another. I think that I should say that to you; but I will certainly be glad to present it to the people who are the ones who must make the decision, and they are the principals that I represent.

GOVERNOR OLSON: Well, I would like to take a recess while you do it, and long enough to have a discussion of it, and see what decision you can arrive at.

MR. HARRISON: Well, I don't know how long it will take us to get our principals together, Governor. I will have to let you know.

GOVERNOR OLSON: Really it doesn't seem to me -- when you come to the question of arbitration, that is not involved here; it is not to be submitted to arbitration. But after all, I would like to make this observation in connection with the position that you take about that and comparing it to a surrender of the ownership of your ships. I do feel that the

very question of whether it is a surrender of the management principle, or whether it is justified in considering the honest application of the principle of collective bargaining -- I think that is a question that fair-minded men might well determine through arbitration, and that it would not be a surrender of any right or principle for both sides to submit it to arbitration. Now, I honestly think that, and I want to give you the benefit of my idea about that, because it does seem to me that a fair-minded arbitrator will have sense enough to realize that the executive work of the operator of the ships and his management must be under the control of the ownership, and with a free hand, and shall not be shifted to the wage earners, because, after all, he has to make ends meet in his business; he has the liability to those for whom he acts as bailee; he has a responsibility there which he must not have curtailed. And any one who is not directly concerned in that matter -- at least directly concerned -- shall not determine how that shall be handled. I think any fair-minded arbitrator will consider that, and at what point that managerial area might be invaded by a recognition of the Union in the employment of the monthly men.

MR. HARRISON: Well, I understand, Mr. Governor --

GOVERNOR OLSON: I don't believe your position is sound, Mr. Harrison.

MR. HARRISON: Well, I understand, Mr. Governor. You are perfectly entitled to express your opinion, and we listen to

it with the greatest of deference. On the other hand, I think it is only proper that I should say in reply that while that has been the view of Mr. Bridges and his committee for quite a long time, we do not agree with it; and I would like to point out to you that there are written utterances which Mr. Bridges broadcast throughout this Coast for many years to the same effect. Even under contracts he refused to arbitrate; but when it comes to the question of whether we shall retain our right of management, or whether it is management or not, or whether we are going to lose control of our businesses, he contends that we should submit it to arbitration, and it develops a different point of view between you and the people that I represent, which I think does not promise an acceptance of the proposal, but it certainly will be considered. Now, I would like to say in passing that Mr. Bridges had the floor here for some time, and made a good many comments as to matters of fact. As to some of them, he is obviously mistaken, because he is not familiar with them. Of course, he didn' t participate in these negotiations until just before the strike was called. He is not familiar with what has been done in these negotiations for the past number of years, but they are a matter of record and they have been delivered to his union. And when he comes to the matter of job security --

GOVERNOR OLSON: I would like to say --

MR. HARRISON: I would like to finish, if I may. When it comes to the matter of job security, the record demonstrates

in with the problems of Autonomous. On the other hand, I think it is only proper that I should say to people that until this has been the view of Mr. Hodges and his associates for quite a long time, we do not agree with him; and I would like to point out to you that there are certain advantages which Mr. Hodges enumerates throughout this report for many years to the same effect. Even under conditions he referred to yesterday, not when it comes to the question of whether we shall provide our rights of management, or whether it is measurements or not, or whether we are going to lose control of our institutions, he concedes that we should submit it to arbitration, and it depends a difference of view between you and the people that I represent, which I think has not prevented an overpowering of the problem. The is certainly still be considered. Now, I would like to say in finishing that Mr. Hodges and the firm have for some time, and rank a just very recently to be matters of fact. As he stated, he is obviously mistaken, because he is not familiar with them. Of course, he didn't a preliminary in those negotiations until just before the matter was settled. He is not familiar with what has been done in order supplies for the very number of years, but they are a matter of record and they have been delivered to his notice. And when he comes to his matter of job security —

MR. HODGES: I would like to say —

MR. FORTUNE: I would like to finish, if I may. When it comes to the matter of job security, the recent documentary

that the employees now have job security and in our honest opinion will not have it if the proposals of the Union become effective. Now, so far as the principle is concerned, Mr. Governor, they feel this way:

No. 1. There is involved in this a vital dispute by reason of which there is a strike, and hence no operations revolve about their ability to control their businesses in certain vital respects. They feel that it is a question upon which it is difficult, if not impossible, to compromise, and one that is not appropriate to be arbitrated, any more than the ownership of their businesses is. They feel that when this thing is settled, it should be settled in the public interest primarily; that is to say, with such reasonable proposals as any labor matter can be settled, and we will know where we are. So far as the report of the Governor's Committee is concerned, as I see it, the first two proposals are really the only ones that relate to the parties. The remainder relate to the State. But we certainly will call our principals together at the first opportunity and submit the proposals, and I would like to ask Mr. Hart to have this transcribed for us.

GOVERNOR OLSON: All right, Mr. Harrison. When would you say that you would be ready to give the answer of the employers to this proposal?

MR. HARRISON: Monday morning, Governor.

GOVERNOR OLSON: Monday morning?

MR. HARRISON: Yes, Mr. Governor.

GOVERNOR OLSON: And I will ask the Union representatives to be prepared definitely to do the same thing. I feel very frankly that if the parties will not at the request of the Governor of the State accede to this arrangement for immediately opening the port, I will have done all that is within my power to add to all that others have done by way of mediation to secure the opening of the port, and I will conclude that there is no way for protection of the interests of the public, not only in the limit to the losses to the State Harbor operations and the ownership of the port, but to all of the shippers and the people dependent upon the shippers, and the shipments of cargoes through this port by the growers, and that the State should take over the port and operate it as the only solution; and ultimately if there are to be recurrent strikes that certainly is one way that it can be permanently solved. Then we will meet again at 10:00 o'clock Monday morning.

MR. HARRISON: Well, no, that wouldn't give us time to meet, Governor.

GOVERNOR OLSON: 2:00 o'clock, then?

MR. HARRISON: I think if we are going to arrange to meet, we had better arrange to meet after lunch.

GOVERNOR OLSON: 2:00 o'clock Monday afternoon, then.

MR. BRIDGES: Governor, we would like to make a request before this hearing adjourns; and before I make the request I would like to say that we listened with interest to your observations about the fact as to whether the issues involving

the control of management and the ships might well be decided by an arbitrator. I am prepared at this time to say that I would be all too willing, without having discussed it with any of my representatives here, or representatives of the Union-- I would be willing to recommend to them that they return to work and that the port be opened immediately, and that the issue as to whether these issues do mean control of the management and ownership of their business could be submitted to an arbitrator, and depending upon the outcome of that arbitration, then the issues could be approached in another light in the way of further negotiations or further arbitration, and that might form a basis for the proposal to open the port. I think it is something distinct and apart -- that as long as all the arbitrator would decide in that case, if these issues do really mean that, and neither side is committed there -- based on that decision, then, it can be seen whether it can be submitted to further negotiation or arbitration, and I would be perfectly willing to recommend a setup like that to the Union.

GOVERNOR OLSON: Well, I think you are probably introducing a point that would really cause as much prolonged debate as the major one; and we are now considering a concrete proposition of going back to work under the conditions that prevailed before the strike, and with proper assurances of course that there will be no discrimination; that a committee of three be appointed to consider that suggestion and other suggestions, and make further investigation toward a possible solution of

1 the difficulty while the harbor is being operated under the
2 conditions that obtained before the strike. Now, that is
3 substantially the proposition.
4 MR. BRIDGES: We intend to consider that, Governor, and
5 we will have our answer ready by Monday morning. There is only
6 one other request that we would like to make to the Governor:
7 We have the Port of Stockton that is being threatened with a
8 boycott. We would like to request the Governor to use his
9 good efforts to see that the Port of Stockton is not boycotted
10 by the withdrawal of ships from that port for any reason having
11 to do with the San Francisco tieup. I think that the request
12 is in order, and that Stockton should not be victimized by
13 this dispute, and on behalf of the unions that is our position.
14 Our men are working up there, and are working under contract.
15 GOVERNOR OLSON: Well, I haven't the power even to open
16 or to operate the State's own harbor here, and see that the
17 cargoes are put through it and checked out there. The State
18 doesn't own the Stockton Port, and if the steamship people
19 boycott the Stockton Port, I don't know whether they are
20 violating any law or not. I would have to refer that to the
21 Attorney General; so I don't know what possible thing the
22 Governor could do in that situation unless -- if there is a
23 boycott of the Stockton harbor, and I am simply taking your
24 statement for it -- they might be asked not to boycott the
25 Stockton harbor.
26 MR. BRIDGES: At least that can be done, Mr. Governor.

[illegible] [illegible] [illegible] [

GOVERNOR OLSON: That would be easy. By the way, may I ask, is the committee from Stockton up here? Do they happen to be around here? I understood they were coming up.

(No response.)

Then we will meet at 2:00 o'clock Monday afternoon. Thank you, gentlemen, for coming together.

(Thereupon an adjournment was taken until Monday, December 18th, 1939, at 2:00 o'clock P. M.)

STATE BUILDING, SAN FRANCISCO, CALIFORNIA,

MONDAY, DECEMBER 18, 1939, 2:20 P. M.

GOVERNOR OLSON: This is the time, at least within a few minutes, that we fixed on Saturday to hear from both sides in this controversy as to whether each is willing to accept the proposal which I made at that time and which I thereafter embraced in a letter addressed to both the employer and employee organizations as a basis for immediately resuming operations of the harbor.

I would like to know now from the employers whether that has been accepted and is acceptable to the employers.

MR. HARRISON: At a meeting of the Employers Association held this morning, Governor Olson, the proposal that you have just referred to, together with the proceedings of Saturday, were fully reported and carefully considered; and the employers, my principals, have replied in writing to the Governor, and I deliver the reply, which, if the Governor desires, I will be glad to read into the record.

GOVERNOR OLSON: Go ahead and read it, Mr. Harrison.

MR. HARRISON: "Dock Checkers Employers Association, Federal Reserve Bank Building, Sansome at Sacramento Street, San Francisco, Cal., December 18, 1939.

"The Honorable Culbert L. Olson, Governor of California,

1 State Building, San Francisco, Calif. Dear Sir:

2 "On November 27th, you, as Governor of this State, appointed
3 an impartial committee of five members to investigate and
4 report to you concerning the strike that has tied up the Port
5 of San Francisco. Your committee has carefully studied the
6 problem and has given you a report with recommendations that
7 point to a fair settlement of the strike through a collective
8 bargaining agreement that will give assurance of service to
9 the public for a reasonable period in the future.

10 "We accept that report as furnishing a proper basis for
11 real settlement, for we believe that it was faithfully made
12 after a prolonged and thorough survey of the underlying causes
13 and issues in dispute.

14 "Unfortunately, when Mr. Bridges did not accept your com-
15 mittee's report at our meeting last Saturday, you, fresh to
16 the problem, made another and different proposal of your own,
17 which was favorably received by Mr. Bridges.

18 "We have given careful and considered attention to your
19 proposal and must inform you that it is not acceptable.

20 "What you offer, as we see it, is a variation of arbitration,
21 or something so like arbitration that we cannot mark a distinc-
22 tion. We have, as you know, already refused arbitration. Let
23 us make our position clear once again, though it has been
24 simple, consistent and constant throughout.

25 "We are not on strike, nor have we closed the port; we have
26 asked no new conditions and demanded no concessions of Mr.

these problems, Mr. Chairman, Sir. Then the

The Premier cites, then, as evidence of his desire, expressed on financial questions of this session to investigate the matter of the financing the notion that has led up to the act of the Province. That consists the merchants paying the payment for the given rate i.e. which results transportation that point to a fair settlement of the matter through a mutually bargaining agreement that will give convenience of service to the public for a reasonable period in the future.

"We asked that report be forwarded a proper basis for real settlement, for we believe that is the fundamental need after a prolonged and laborious survey of the complicated issues involve in dispute.

"Unfortunately, then Mr. Bridges did not stand upon contention expert as our position last session, yes, from the position, made another and different proposal of year ago, which was flatly rejected by Mr. Bridges.

"We have given careful and sympathetical consideration to your proposal and must inform you that it is not acceptable.

"Just the other, as we see it, is a variation of proposition, by adding to the proposition that we based upon a direction. We have, as you know, already rejected proposition. Let us make for positive clear once again, though in one phrase, conditions and measure introduced.

"We are not on stalemate, nor have we allowed the matter, we have asked on new conditions was announced as proposed if is.

1 Bridges and the Ship Clerks Union. On the contrary, we have
2 offered to renew contracts that have been in effect since 1934
3 and which for years have been acceptable to the union. We
4 seek only to keep a right that we have always had, the right
5 to select our permanent clerical staffs on the docks. We
6 believe it to be a right that we can neither compromise nor
7 arbitrate.
8 "Mr. Bridges has repeatedly in the past refused to
9 arbitrate what he terms fundamental union rights. This same
10 union, which now pleads for arbitration involving rights of
11 management, has several times this year refused arbitration
12 on lesser matters, as required by their former contracts, once
13 tieing up the port for three days, again for ten.
14 "You were careful to point out last Saturday that you were
15 working solely in the public interest, that you wished to
16 reopen the port promptly, without concessions from either party;
17 yet, in your proposal, you ask from us the same concessions that
18 the union has already asked, that is, our consent to allow other
19 parties, in this case a new committee, to pass upon our rights
20 and responsibilities in the matter of selecting our permanent
21 clerical staffs.
22 "True, a decision of this new committee would not be final
23 or binding upon either the union or the employers under the
24 terms of your proposal; but you must realize that as respons-
25 ible people we cannot enter into such dealing without being
26 aware of the influence and obligation that such a decision would

1 have.

2 "At best, according to your statements, your proposal would
3 afford only a 'breather'; normal operations could be resumed
4 pending the committee's finding, but the union could again
5 strike at any time if it failed to concur. We cannot agree to
6 a proposal which would require arbitration of management rights
7 and which offers no real settlement and no assurance that
8 operations will continue for any reasonable period.

9 "Failing acceptance of your proposal, you declared that you
10 will sponsor new legislation empowering the State to assume
11 control and operation of the harbor, at least in such times of
12 emergency as this.

13 "We cannot believe that you appreciate the full signifi-
14 cance of your program. The State can cancel our pier assign-
15 ments and repossess the piers, but it cannot operate steamship
16 services with the piers alone. It needs the equipment upon the
17 piers, the pier management, records and the like; it needs,
18 finally, the ships themselves.

19 "Consider the sequence of your program:

20 "The employers and the union bargain collectively; the
21 union makes certain demands which the employers believe
22 threaten their management rights; the employers refuse; the
23 State then says, yield to the union demands or arbitrate them,
24 even though the demands invade management, or face confiscation
25 of your property and your business.

26 "We cannot escape the conclusion that your repeated refer-

1 have.

2 "In sum, according to your estimates, how profound would
3 effect such a tremendous annual contribution could be reasonably
4 predicted this constituent's finding, has the union ever spent
5 enough on her dues to reach parity on average. In another words is
6 a proposed union would produce substantial or insignificant results
7 and which effect on your assessment and in particular that
8 operations will produce the only reasonable result.

9 "Taking everything at your program, you believe that you
10 will generate the information concerning the future in terms
11 budget and operations of the income, or issue in some other
12 emergency as well.

13 "Do union officers have the opportunity the full objectives
14 means of your program. The chief can insure the data budget
15 needs and economics the client, and is service operate consistently
16 overtime with the least cost. It would the equipment from the
17 client, the chief accountant, reviewed and the client is making
18 finally, the office themselves.

19 "Consider the expenses of your program.

20 "The employees and the union officers substantially the
21 union dues contribute towards while the objectives initiate
22 otherwise their contributors eligible for employee's retirement. The
23 state have here, right to the union income or retirement funds,
24 were through the income trends continuously, or their contribution
25 of their property and your business.

26 "The answer depends the assumption that that involved retire-

ence to the taking over by the State of our operations is a threat which would coerce the employers to submit to Mr. Bridges' demands.

"We do not believe this is possible within the framework of our present form of government. In any event, we cannot agree to state operation now or later, even though Mr. Bridges and the union already have.

"In conclusion, we are ready either to accept your committee's report as a fair basis for settlement, or to renew our contracts with the union, taking or asking nothing from the union which we have not had since 1934.

"Very truly yours,

"Dock Checkers Employers Association

By F. P. FOISIE
F. P. Foisie"

GOVERNOR OLSON: Well, that position seems to me to mean, unless the opinion expressed by the committee appointed by me may be construed otherwise, which opinion as a means of temporary resumption of operations also is in accord with the position you take in this letter, that the employers association takes the unalterable position that there is no possible merit in either of the first two contentions of the employees, that they would recognize as even the subject of impartial investigation further, much less the subject of arbitration.

The Maritime Labor Board and Federal mediation agencies have recommended that those matters be arbitrated. The proposal

1 made to the taking over of the [illegible] of our investigations in a
2 larger which would enable the employees to submit the ex-
3 pertise' lawsuits.
4 We do not believe this is necessary within the frame-
5 work of the present rules of procedure. In our opinion, we can-
6 not agree to state questions now of [illegible], [illegible],
7 [illegible] and the union security laws.
8 "In conclusion, we are fully aware of strong your
9 committee's request as a fair basis for settlement, and we insist
10 our conclusions this far point, having in making proposal from the
11 rules which we have not yet above 1975.
12 "Very truly yours,
13 "Pacific Coastwise Employers Association
14 By /s/ [illegible]
15 F. J. Polak
16 [illegible] Well, that position seems to me to mean,
17 unless the position represented by the committee appointed by the
18 may be accurately observed, which opinion is a means of
19 temporary postponement of negotiations that is to say, that
20 positions you have to take rather, that the employers committee
21 taking the preliminary position that there is no possible merit
22 in either of the first two amendments of the employees that
23 they would recognize as even the subject of bargaining
24 with further, that the subject of [illegible].
25 The Waterfront Labor Board and Federal mediation agencies
26 have recommended that those matters be arbitrated. The proposal

1 I made did not involve an assent to arbitration, but did offer
2 the only possible way of bringing the parties together in an
3 investigation of the subject without constituting arbitration.
4 Now, I would only refer to the matter of my statement, that
5 I will recommend to the Legislature that they enact amendments
6 to the State Harbor Board Act that will authorize the State
7 Harbor Board to take over operations at the harbor, including
8 deliveries to the harbor, which may be exercised in cases of
9 emergency similar to this.
10 That proposition was made by me long before I met with both
11 sides to endeavor to bring them together in this situation.
12 It was therefore not made or intended to be in the nature of a
13 threat, because it isn't a threat, and I do intend to make that
14 recommendation; and I do not consider that it involves either
15 confiscation or expropriation of rights. I do consider that
16 the services involved are of a public utility nature, which
17 therefore justifies the State's taking over the services.
18 Whether the steamship companies desire to make calls at the
19 port and deliveries through the port under such conditions,
20 would remain to be seen.
21 However, that way out is not an immediate resumption of
22 operations at the harbor, and I have no assurance that the
23 Legislature will confer that power upon the Harbor Board even
24 upon my recommendation. I have known the Legislature to dis-
25 regard some of my recommendations in the past. But the question
26 now before us is this: The employers have flatly refused to

accept the proposal made by me, and which I asked them to accept, and also asked the union to accept. The employers say they will accept the proposal which is made in the opinion of the members of the committee appointed by me, which I have before me and which reads as follows:

"1. The employees should lay aside points 1 and 2 of their original strike demands -- that is, preference of employment for monthly men and registration of men in the industry -- and negotiations be resumed with a view to arriving at a contract.

"2. If a contract is not arrived at within 24 hours from the resumption of negotiations, the employees should return to work under the protection of the old contracts, and a guarantee from the employers that there shall be no discrimination against any individual or group for his or its participation in the strike, and unsettled issues with the exception of points 1 and 2 above referred to should be submitted to arbitration.

"3. Following resumption of operations in the Port of San Francisco an impartial committee appointed by the Governor should study the questions involved in the issues concerning preferential employment, such study to have no connection with the processes by which the settlement of other issues between the parties shall have been reached. (It should not have any influence upon the conditions of the new contract.)

"4. This study should be pursued along the lines of the strictest impartiality and at the earliest practicable date a

1 report should be issued, the conclusions of which shall have
2 no bearing upon the then existing contract, but which should
3 be designed to constitute a basis for an informed public
4 opinion in respect to the questions involved, when, as and if
5 they arise at the termination of the next contract.
6 "5. The same committee should make their field of inves-
7 tigation broad enough to enable them to report upon the under-
8 lying causes of recurrent friction with a view to preventing
9 similar stoppages in the future."
10 Now, as I understand this letter of the employers it says
11 that the proposal made by me with regard to the appointment
12 of a committee to make an investigation and report, is a round-
13 about way of arbitration of the points that the employers are
14 determined they do not recognize as being subject to arbitration
15 from their standpoint. It does seem to me that this recom-
16 mendation that the employers do now say they are willing to
17 accept, which I have just read from the report of the committee
18 appointed by me, could as well be said to be a roundabout way.
19 It is an investigation of an impartial committee to ascertain
20 and report upon the underlying causes of the dispute and to
21 study the questions involved in the issues concerning prefer-
22 ential employment and registration of all employees for public
23 information, and neither proposition involves the acceptance of
24 any finding of that committee. I see very little difference
25 in the proposal in the form that I made it, and that contained
26 in that part of the report of the committee appointed by me which

1 I have referred to, and I considered that it was substantially
2 followed in the recommendations in the letter or proposal that
3 I formulated.
4 Now, the only difference that I do discern between the two
5 proposals would seem to be this -- and perhaps I can have some
6 light thrown on it by the parties: That under the proposal
7 contained in the opinion of the members of the committee
8 appointed by me, the investigation which is to be conducted by
9 another committee to go into greater detail concerning the
10 issues, is to have no influence on any contract; and it seems
11 to contemplate that a contract will be made on the old basis
12 for a definite period of time, that the investigation by this
13 committee or any information the results of it may give with
14 respect to the causes of the points in controversy and their
15 solution, would be serviceable for public information and such
16 information as the parties care to make of it upon the expira-
17 tion of a contract to be consummated now -- that is to say,
18 upon contracts thereafter.
19 Have I properly stated, in your opinion, the differences
20 between those propositions?
21 MR. HARRISON: Well, I don't know that I can very properly
22 answer that question, Governor Olson. I attempted to follow you
23 as well as I could.
24 I will say this, however, that so far as the employers are
25 concerned, they welcome an investigation by a committee appointed
26 by you or by the Federal Government or by any other appropriate

I have referred to, and I questioned what it has unfortunately followed in the recommendations in the letter as proposed that I formulated.

Now, the only difference that I do discern between the two proposals would have to be said -- and perhaps I can turn some light through us if my perception -- that under the proposal contained in the opinion of the majority of the committee supported by me, the investigation which is to be conducted by member committee to do this proposed should commencing the issues, is to have an intrusive on our authority and it seems to contemplate that a subpoena will be issued on the old basis for a certain period of time, that the investigation by this committee or any subcommittee the results of it may come with respect to the actions of the police in enforcement and their actions, would be inappropriate for public information and some information on the matters here is more of it upon the mainstream of a committee to be responsive now -- this is my view, upon appropriate therefor.

Here I primarily stated in your opinion, the difference between these proposals?

MR. MARTINEZ: Yes, I think some that I am very strongly aware that question, Supervisor Ward. I wholeheartedly follow you as well as I could.

I will say this, however, that so far as the motions for nomination, that motions to investigation by a committee of one by you or by the Federal Commission or by any other investigative

1 authority that has jurisdiction over these matters.

2 When it comes to the matter of the proposal made by the
3 Governor, the matter was carefully considered, and I do not
4 think I can add to it or express it better than the letter from
5 my principals does, their final decision upon it.

6 GOVERNOR OLSON: Well, we have arrived at this point: You
7 have made it very definite that you have refused the proposal
8 made by me. Now, you do say you accept the proposal made in
9 the opinion of the committee appointed by me; so it is up to
10 me now to ask the union whether it accepts that basis of going
11 back to work, which I will do now; and if they refuse that now,
12 I suppose we will adjourn as a failure.

13 May I hear from the union on the matter of following the
14 suggestions contained in the opinion of the committee that was
15 appointed by me, and which accompanied its report regarding the
16 points in issue and in controversy?

17 MR. BRIDGES: Governor Olson, when we recessed on Saturday
18 the proposition was put to both parties -- the proposal of
19 yours. Now, the union considered that proposition mainly from
20 the point of view of the parties that are affected by the tie-
21 up indirectly, and partly of course from the viewpoint of their
22 own interests. They gave it long and serious consideration, and
23 their decision was reached through consideration of not their
24 own interests, but other interests that are affected by the
25 dispute.

26 The proposition as made by you Saturday is a far cry from

authority that has jurisdiction over these matters.

Now, I'd change in the matter of the proposal made by the Governor, the matter was actually considered, and I do not think I was able to if or suppose it before that the matter was principally taken, that's final decision upon it.

COTTRELL BLOCK: Well, we have adopted it this morning. The motion made by Judge Cottrell that you have reviewed the proposal made by me. Now, you do not you change the proposal made in the opinion of the committee supported by me, so it is up to me now to ask the union whether it accepts that basis of going back to work, which I will do now, and if that motion lost now, I suppose we will adjourn as a failure.

May I hear from the union on the matter of following the suggestions contained in the opinion of the committee just now proposed by me, and which accomplishes the primary purpose in issue and is satisfactory?

MR. ROCHON: Governor Olson, when we received the proposition the proposition was put to both parties -- the employer and union. Now, the union considered that proposition solely from the point of view of the parties that are affected by the sit-up initially, and partly of course from the standpoint of their own interests. They were in long and serious consideration, and their decision was reached through considerations of our own interests, but other interests that are affected by the dispute.

The proposition as made by you initially is a fair and fair-

1 what the union desires, and it represents the 18th -- actually
2 the 18th proposition that the union has considered, and con-
3 sidered seriously in an attempt to end this dispute. The
4 union itself has put forward some 14 various compromise proposals,
5 each one a recession from the position it held before the strike.
6 In addition, the union agrees to the request of the National
7 Maritime Labor Board for arbitration. Along with the request
8 of the Maritime Labor Board, the chairman of your committee
9 urged upon the union arbitration of the issues. That was why
10 the union accepted the request to arbitrate.
11 This proposal was made Saturday. After being thoroughly
12 considered, and with the public interest and the interests
13 of the other parties being put forward first, and your request
14 being taken into consideration, although it was a long way
15 from what the union considers a satisfactory settlement for
16 them, they accepted it with a view to getting the port opened.
17 Now, that is our answer on that proposal, that we under-
18 stood was to be the order of business today, and that we were
19 to bring back an answer on.
20 GOVERNOR OLSON: I understand that, and I do understand
21 you to say that the proposal which I made Saturday and which I
22 embraced in the letter to both sides, the union is willing to
23 accept, but that proposal now the employers refuse.
24 Now, I must ask the union whether the proposals set forth
25 in the opinion of the members of the committee I appointed are
26 acceptable as a basis of going back to work and as a method of

what the union members, and it increases the risk -- actually the risk probability that the union has considered, and concerned herewith is an element in our case which [illegible] union first has the burden that is [illegible] [illegible] made for a reasonable time the position in this matter for trial. In addition, the union agrees to the request of the national [illegible] [illegible] for arbitration. Along with the request of the Building Trade Board, the findings of your committee urged upon the union activities of the issues. That was why the union accepted the request to arbitrate.

This proposal was made [illegible]. After being thoroughly considered, and with the public interest and the interests of the other parties involved the proposal first, and then [illegible] [illegible] [illegible], although it was a long way from what the union considers a satisfactory settlement for them, that [illegible] is still a time to permit the port opened.

Now, that is our answer to that proposal, that we understand was in the order of business today, and that we were to bring back an answer to.

[illegible] [illegible]: I understand that, and I do understand the to act that the president which I was [illegible] and which I understand is the letter to this point, the union is willing to accept, and that proposal was the employers [illegible].

Now, I have the [illegible] [illegible] the [illegible] and [illegible] in the [illegible] of the committee I [illegible] are acceptable as a basis of going back to work and as a method of

settling the differences that exist.

MR. BRIDGES: You mean the fact finding committee's report, Governor, or the formula in the opinion of it?

GOVERNOR OLSON: The formula in the opinion accompanying the report. The report is a factual matter, and states the points at issue and some of the background from which the points arose. Now, the question is the formula contained in the opinion given to me when I asked the committee if they had any opinion as to what formula they believed might be acceptable to the parties as a way of immediately resuming operations at the harbor, and that is what they gave me.

MR. BRIDGES: That is pretty hard for us to determine exactly what the opinion means, Governor. We have our own analysis as to what it means. We might be wrong in that analysis. The opinion is very inconsistent, as we see it. Your committee, first of all, in its so-called finding of facts, in our opinion didn't find any facts. They called in first one side and conferred with them without the other side present; then they called in the other side and conferred with them, again without the other side present. We could have, but we didn't present a lot of documentary evidence and material that might or might not have been correct. Very possibly the employers presented certain material and evidence to the committee that we very much might doubt the correctness of, and especially as we were not there to challenge any statements they made or any evidence that they presented.

We first of all have told you, and we said Saturday that the committee's presumption that the first two points in the strike are one and the same. They form a wrong premise to start with. The committee itself states in its fact finding report that the system, or the question of preferential hiring and the system of registration together constitute a system of preferential hiring. Therefore, the report starts off on that basis, and finally winds up with certain recommendations in the fact finding report, and then follows on with what obviously could not be given in the fact finding report because there are no facts to base it on, and that is merely an opinion.

I don't know whether this strike can be settled through opinions. It is quite correct that anybody can sit down and work out an opinion as to how the dispute can be ended; but what we have to find out is what that opinion entails. Does it entail on the part of the union the giving up of all the union's demands? If it does, obviously the answer from the union's side is "No." If it entails only from the employer that the employer does not have to change his position from what it was last August and from what it was after the negotiations had taken place for close on to three months, from what it was prior to the time the strike took place, and from what it was since the strike has taken place, we have two positions. The union is asked to relinquish and sacrifice everything, and the employer is asked to sacrifice nothing, in the public interest. That, in our opinion, is not fair from anybody's

1 point of view. If that is what the opinion means, our answer
2 is definitely "no." If, however, the opinion means some
3 middle ground to settle this dispute, where the union is not
4 asked to give up everything, and where the employers are not
5 asked to give up everything, but both sides are asked to give
6 up something in the interest of opening the port, we believe
7 that the union's answer can be entirely different.
8 So, therefore, we first have to see exactly what the report
9 means. We believe it means this: The employers are asked to
10 do two things. Not to discriminate against the union men.
11 They have got to do that, much as they don't like it, because
12 it's the law. Regardless of whether we have this dispute
13 settled or not, they can't do anything else but to agree, on
14 paper at least, that they shan't discriminate against any union
15 man because it is a violation of Federal law. That is one
16 thing they are asked to do. The second thing they are asked
17 to do is to sit down and negotiate with us some more. Again
18 they are required to do that by law. In our opinion, that is
19 all the employers are asked to do in that committee's opinion.
20 The union, on the other hand, is asked to drop their demand
21 for preference of employment and forget it completely. It is
22 asked --
23 GOVERNOR OLSON: Now, right there, I don't know -- it
24 doesn't seem to me that that does ask them to forget it completely
25 or to give it up. I just asked the question. I will ask someone
26 to interpret that for me as to whether it means there is to be

a new contract, and that so far as that contract for a definite period is concerned they do give it up; but they look forward to keeping it alive, and a committee to study it in the future. That is the way it seems to me.

Now, let me ask you this: Has the contract that the employment has been under in the past -- has that expired?

MR. BRIDGES: That expired September 30th, Governor, and all negotiations toward new contracts have been contracts for a term of two or three years or more.

GOVERNOR OLSON: Two or three years or more?

MR. BRIDGES: Yes.

GOVERNOR OLSON: Well, it looks to me like this means that you will have to enter into a new contract and lay aside those two demands from it, and that a consideration of those two demands, so far as any contention for it is concerned, is not to apply to this new contract.

MR. BRIDGES: That is right. They are out of the way for at least three years, Governor, and that is exactly what that opinion asks us to do, as we see it, very definitely.

GOVERNOR OLSON: I think that is what it does.

MR. BRIDGES: And without those two demands compromised in some way or other, we will have no union on this waterfront inside of two or three months, and that is the idea behind these people and that is what they are after. An investigation of the facts will show it. We will produce the evidence where we can prove that the issue behind this is, first of all, to weaken

or destroy the union; and second, the mere simple economic matter of lengthening hours and at the same time reducing wages. That is all there is to it; and it is wound up with this argument of control of management, and so forth, which is just argument and nothing else. But we have to have the facts placed properly before a committee or some kind of tribunal or arbitrator, so that they can be brought out in the open. We can't depend on the public press.

GOVERNOR OLSON: And there is the whole trouble -- the employers contending that the union wants to take over the managerial services of the employer, and the union contending that the employer wants to destroy the union; so there is not a bit of confidence on either side exhibited anywhere. There isn't any spirit of cooperation which will give promise of an amicable settlement in recognition of the rights of collective bargaining.

MR. BRIDGES: All we can say, Governor, is that this is the 18th proposal and compromise that the union has put forward or accepted; and, as I know at this time, the employers' position has not changed one iota since last August, or their position as before the strike -- they haven't changed their position one bit. And I think that speaks for itself. We have accepted every proposal and considered it in good faith, and many of those have not been satisfactory to us; and I think it should be very clear as to whose intention it is to open up the port and who is willing to sacrifice some of their own interests

of looking the matter and around, the more simple economic matter of implementing every act in the year from employment. That is all there is to it; and it is sound as well this statement of matter of management, and as truth, which is just statement and opinion only. But he here is more the real physical capacity before a committee or some kind of authority or authority, as that they can be brought out in the open. It isn't based on the public trust.

MR. [illegible] Let me ask if the whole concept -- the regulatory commission that the action should be taken over the commercial matters or the company, and the rate setting when the company wants to change the rate; so there is not a lot of confidence in either side commission members. There may be a matter of experience which will give weight of a suitable mechanism in recognition of the figure of authority, management.

MR. [illegible] All we are saying, Commissioner, is that this is the first proposal and recommendation that we have had from the [illegible] and, as I stated in this line, the management consultant has not showed the line since last August, so there [illegible] as matter the office -- that Larson's changed that position and [illegible] and I think that speaks for itself. We have analyzed every proposal and recommendation it is good faith, and many of those have not been satisfactory to us, and I think it should be very clear as to where Larson's is so open to the [illegible] the is willing to [illegible] some of their [illegible]

in that direction.

MR. HARRISON: I have no desire to take any time of the Governor replying to the various charges made by Mr. Bridges, because time does not permit of our submitting to you here the true facts, which have already been submitted to your committee, but which in documentary form we will be happy to submit to any public authority, including yourself. We have only this to say, that so far as these charges of Mr. Bridges are concerned, they were investigated by an impartial committee, which has made its finding to the contrary. Actions speak louder than words; and so far as service to this port is concerned, we will let the history of the past determine who were the ones that were most anxious to keep it going.

GOVERNOR OLSON: Well, I don't suppose any opinion of mine on the subject will serve to bring the parties together on a formula for immediate resumption of operations; but I can't help but feel that after the Federal mediation agencies had recommended arbitration, which the employers have refused; when the State recommends that out of consideration for that position taken by the employers, that the matter of arbitration be laid aside, and that only an investigation by a committee representative of both sides, and impartial therefore, to study the ultimate way out of the controversy, and the employers definitely refuse that, and the employees have accepted both propositions, the arbitration and the proposal made by me -- it seems to me that the union is faced with the proposition that

their demands, or those two major demands, or any consideration of them through any impartial inquiry, even though the findings of such an inquiry should not be binding on the employers, cannot be considered, and therefore it is up to the union to go back to work and relinqusih all of its strike demands, if we are going to have the harbor opened. That is the way it looks now. That is the position the employers take; that is their position here, that there isn't any negotiation that can hope for any peaceful settlement in recognition of any merit in the claims of the union; so that it is up to the union to quit their demands, give up their strike for those demands, and go back to work, if the harbor is to be opened; but that the employers will not yield on any point whatsoever.

MR. HARRISON: I take it that the Governor will permit me to note an exception to those last remarks, which, as I see it, do not correctly state the position of the employers, which is in fact set forth in the communication to you in full.

GOVERNOR OLSON: Well, I don't know of anything more that I can do to help the situation out.

MR. BRIDGES: Governor Olson, are we correct in saying that the last statement just made is not a statement of your position, but it is a statement of the facts as they stand now?

GOVERNOR OLSON: That is the way they stand in my opinion. There isn't any intention on the part of the employers to even recognize the two major demands -- I am limiting it to that. As to the other matters, I understand those points can be dis-

their business, or those two major issues, or any modification of them through any improvident impulse, even though has finished or such as simply refuse not to continue on the employment, choose to continue, and therefore in it up to the union to do their work and relinquish all of its strong leadership. If we are going to take the normal approach. That is how we is lower wage. That is one problem the employers have; this is their private help, that their staff and committees that are also the job personnel activement in negotiations of any point in the minds of the unions; we feel it is up to the union to give their members, give up their strong strike for those demands, and go back to work, if the lawyer is in to be opposed and then the employers will not yield on any point whatsoever.

MR. BIRTCHER: I take it that the lawyers will insert the as here an obligation to those last remarks, which, as I see it, is not correctly where the position of the employer, which is in fact the opposite of the proposition as you is full.

LOTTERER COURT: Well, I agree some of nothing been that I was do to help the strategies out.

MR. BIRTCHER: Professor Olson, are we correct in saying that the last statement just made is not a statement of your position, but is in a consonance of the facts as they would meet

PROFESSOR OLSON: That is the way that stand in my opinion. There isn't any intention on the part of the employers to give terminate the two major issues -- I am satisfied is in that.

As to the other matters, I understand those points that be fit-

posed of; but the two major demands -- that is, preferential hiring of monthly men and registration -- the position of the employers is definitely that there will be no recognition of that right, or even an impartial investigation of it.

MR. HARRISON: Well, again, if the Governor will permit me to say that I think the Governor again has misstated the position of the employers.

GOVERNOR OLSON: As far as the issues are concerned --

MR. HARRISON: I think that is correctly set forth in our communication; and, on the contrary, we welcome an investigation by Federal as well as State authorities of all conditions on the waterfront which we think merit such investigation, and place the blame for what has occurred in the past four years where it belongs.

GOVERNOR OLSON: Well, in this instance there have been investigations and there have been recommendations by the Federal agencies.

MR. HARRISON: And also by your committee.

GOVERNOR OLSON: Well, this is the committee's opinion as to what formula might be adopted as a means of opening the port immediately; not what should be done with reference to the major points in dispute, nor any recommendation with reference to the merits of those points. Now, the position of the employers is that a new contract must be made, which involves an abandonment by the union of its demands entirely. It doesn't recognize it in any manner whatsoever. It is true, they say, that any com-

[illegible] off the major issues -- that is, investigation [illegible] of monopoly and regulation -- the question of the [illegible] statutory duty there does not seem to [illegible] of [illegible], or even to [illegible] of it.

MR. [illegible]: Well, again, if the commissioner will permit me, I think I could [illegible] the question of the majority.

COMMISSIONER BLOCK: The fact as the issues are concerned --

MR. [illegible]: I think that is correct, and from an economic point of view, in the industry, we [illegible] investigation of [illegible] we will be [illegible] of all obligations as [illegible] investigation, and [illegible] the [illegible] been [illegible] in the past [illegible] years [illegible] it [illegible].

COMMISSIONER BLOCK: Well, in this instance there have been investigations and there have been [illegible] by the Federal [illegible].

MR. [illegible]: [illegible] also by [illegible].

COMMISSIONER BLOCK: Well, this is the Commission's opinion [illegible] which is analyzed as a [illegible] of [illegible] [illegible] should be done with reference to the major [illegible] is [illegible], and not necessarily with reference to the [illegible] of [illegible] [illegible]. Now, the position of the majority is that [illegible] must be [illegible], which [illegible] an [illegible] of the [illegible] [illegible]. It [illegible] [illegible] is [illegible] [illegible]. It is true, [illegible] [illegible]

1 mittee may investigate it; but they would not need the consent
2 of the employers to do that. We could have a committee
3 investigate it; any number of committees may do that. That
4 wouldn't mean any concession by the employers in this situation.
5 That idea of an investigation would have no influence upon the
6 contract, and not to be considered in connection with the con-
7 troversy, but merely for the information of the investigators
8 and the public. That may be done without the employers' consent
9 or the union's consent.
10 Now, the point is here, there is absolutely no concession
11 whatever from the standpoint of the employers which is offered
12 here as a means of opening the harbor immediately -- not a
13 concession of any --
14 MR. HARRISON: Do I understand that the Governor demands
15 any concession from the employers?
16 GOVERNOR OLSON: (Continuing) -- any possible future
17 recognition of any merit to the demand of the employees or any
18 merit to the recommendation of the Federal mediation agencies
19 in arbitration of the question.
20 MR. HARRISON: Does the Governor demand any concessions
21 from the employers?
22 GOVERNOR OLSON: I asked the employers to consent to the
23 formula that I proposed, and I think that the employers should
24 have consented to it, and I think yet that the employers should
25 consent to it.
26 MR. HARRISON: And with all deference to the Governor, the

1 Either any investigation all that they could not even the employer
2 of the employee to do that. We would have a condition
3 investigation all any number of conditions may be that. That
4 would!! even any connection by the employer in this situation.
5 That idea of an investigation would have no influence upon the
6 contract, and will be be considered in connection with the con-
7 tractor, but merely for the information of the investigator
8 and for public. That may be done without the employee knowing
9 of the union's protest.
10 Now, the point is here, there is absolutely no connection
11 whatever from the standpoint of the employee which is attacked
12 here as a means of curbing the labor immediately -- not a
13 connection of any --
14 MR. HARTSON: Do I understand that the Corporate Counsel
15 has withdrawn from the employer?
16 CORPORATE COUNSEL: (Nothing) -- any possible future
17 negotiations of any sorts in the behalf of the employee or any
18 sorts to the representatives of the Federal mediation agencies
19 in arbitration of the question.
20 MR. HARTSON: Then the complaint issued was withdrawn
21 from the employer.
22 CORPORATE COUNSEL: I asked the employers to assume as the
23 Federal law I proposed, and I think that the employers should
24 have consented to it. And I think yet that the employer should
25 consent to it.
26 MR. HARTSON: Let with all deference to the Commission, the

employers feel that their position can be stated no more clearly than to refer you to the opinion of your own impartial committee which investigated it. Their opinion is the position of the employers. They are prepared to stand upon that, Mr. Governor, and they feel that your statement demanding concessions--

(Laughter.)

I take it that you will keep order, Mr. Governor.

GOVERNOR OLSON: Yes. Please let us not have any demonstration.

MR. HARRISON: I take it that the position of the employers has been clearly stated. They consider that the fundamental question of management is concerned. They have already refused to arbitrate that question. The union stands upon their demand to arbitrate it. It is a concession which the employers do not feel they can make, even at your request.

GOVERNOR OLSON: I think that has been made very clear -- which, of course, leaves the situation just where it was when the strike began, with no more accomplishment toward even a temporary basis of immediate resumption of the harbor operations. I have done all that I could toward it, and know of no other way than I have already suggested as a permanent solution of the matter of continued and uninterrupted operations in the port, and that is by State operation. If the members of the union, or the committee for the union, representatives of the employees desire to take that formula that the employers accept, and try to find in it a basis, and if they find in it an

1 [illegible] that this [illegible] position can be stated in some [illegible]
2 than in order you to the opinion of your own [illegible] ma-
3 [illegible] [illegible] in. [illegible] in the position
4 of the [illegible]. They are [illegible] to stand upon that, Mr.
5 Chairman, and [illegible] that [illegible] your statement [illegible]--
6 (Laughter.)
7 I have to [illegible] you will [illegible], Mr. Chairman.
8 MR. [illegible] Yes. Please let us not have any [illegible]-
9 [illegible].
10 MR. [illegible] I have to [illegible] the position of the [illegible]
11 has been already [illegible]. They [illegible] that the [illegible]
12 [illegible] of [illegible] in [illegible]. They have already [illegible]
13 to [illegible] this [illegible]. The union stands upon their [illegible]
14 to [illegible] it. It is a [illegible] which the employees do
15 not [illegible] [illegible], when [illegible].
16 [illegible] I [illegible] that [illegible] --
17 [illegible], [illegible] [illegible] it [illegible]
18 the [illegible] [illegible] with [illegible] [illegible]
19 [illegible] [illegible] of the [illegible] [illegible].
20 I have [illegible] that I [illegible] [illegible], and have of no other
21 way [illegible] I have [illegible] [illegible] as a [illegible] relations of
22 the [illegible] of [illegible] and [illegible] [illegible] in the
23 [illegible], and [illegible] [illegible] [illegible]. If the [illegible] of the
24 [illegible] in the [illegible] [illegible] the [illegible], [illegible] of the
25 [illegible] [illegible] to [illegible] that [illegible] the [illegible] [illegible],
26 [illegible] [illegible] in it [illegible], and if [illegible] [illegible] in [illegible] as

acceptable proposition for resuming work, I would like them to do it. But there isn't any question about the adamant position of the employers in this situation.

MR. BRIDGES: Governor Olson, we will give serious consideration to the opinion of your committee, providing it is accompanied by a definition of what the opinion means, providing someone --

GOVERNOR OLSON: Well, you will have to take it and put your own definition on it, and put the definition on it you are willing to accept as to what it means, and then see whether you will take it. And I don't know whether that definition would be acceptable to the employers. If you want a recess to do that, I will be glad to grant one.

MR. BRIDGES: Our definition at the present time, Governor, means that the union gives up completely for some time to come -- at least two or three years -- under the new contracts its present demands that it considers essential and necessary to the continued life of the union.

GOVERNOR OLSON: That is what I am not clear about. I am wondering if you go back to work under the conditions, under the old contract as it exists, as long as you want to work under its extension, and await the hope of a change of attitude toward either arbitration or some middle ground that might be found through future negotiations.

MR. BRIDGES: I can explain why we can't do that, Governor, if you wish me to. I think the best explanation I can give you

[illegible] conditions for employees which, I think, also [illegible] to do it. The above law's only prohibits women the minimum [illegible] of the minimum in their employment.

MR. [illegible] Without [illegible], we will give various examples of the minimum of your monitoring, providing it is somewhat as a matter of that the [illegible] among, providing [illegible] --

MATTHEWS [illegible] Well, you will have to take it and put your [illegible] on it, and put the [illegible] as if you are willing to [illegible] as to what it means, but then [illegible] you will have it. And I don't have [illegible] [illegible] would be [illegible] to the employers. If you want a [illegible] to do that, I will be glad to [illegible].

MR. [illegible] Our definition at the present time, [illegible] means that the [illegible] by [illegible] for some time to come -- at least for the three years -- under the [illegible] the [illegible] [illegible] is [illegible] and [illegible] as the [illegible] of the [illegible].

[illegible] That is what I am not clear about. I am wondering if you [illegible] to [illegible] under the [illegible], under the [illegible] in [illegible], as long as you want to [illegible] the [illegible], and [illegible] [illegible] of [illegible] or [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] through [illegible].

MR. [illegible] I [illegible] we don't do that, [illegible], if you [illegible] I think [illegible] if [illegible] you [illegible]

is an action taken by the employers last June which definitely bears upon this -- a letter written by this particular association we are striking against to their various employer members; and the letter instructs all its members to do certain things -- in effect, to wreck the union. It is addressed to all members of the Dock Checkers Employers Association, and is dated June 2nd; and this brought about the ten day tieup of the port of San Francisco because of the putting into effect of this letter.

MR. HARRISON: I don't like to interrupt Mr. Bridges, Governor, but if we are to enter into a debate as to charges made by Mr. Bridges with the employers, I hardly think this is the place. I am perfectly willing and happy to take Mr. Bridges on and disprove him at the proper time and place, but if Mr. Bridges really wishes to help settle the strike, then his present tactics are not going to help bring it about.

GOVERNOR OLSON: Well, I have not seen any inclination on either side to spare any words of criticism of the other.

MR. HARRISON: Well, it is perfectly all right, Mr. Governor. If the Governor wishes Mr. Bridges to spend some time here making charges, we will simply have to say that we will have to take the same amount of time replying to those charges.

GOVERNOR OLSON: I cannot see what the reasons are which actuate either side -- how it would help to bring them together by going into their exposition now; and I don't think that whatever is said that might be convincing to me in favor of one side

1 or the other would make any difference; in fact, I don't think
2 that my opinion or my request makes any difference -- at least,
3 it doesn't make any difference to the employers; and that is
4 perfectly apparent, because they have absolutely refused it.
5 Now, I don't know whether it will accomplish anything for me to
6 hear what you might have to present, Mr. Bridges, about any
7 letter that shows a purpose to destroy the union under existing
8 employment contract conditions or under the old contract. The
9 thing we are up against right now is whether the union, which
10 you are here representing, is willing to go back to work and
11 upon the opinion expressed by the committee which I appointed,
12 as being probably the only basis on which a consent to resumption
13 of operations might be obtained from both sides. Now, appar-
14 ently the committee realized that that was the only basis on
15 which the employers would consent to resumption of operations.
16 Now, the question is, will you consent to a resumption of
17 operations, and put your own interpretation upon that opinion?
18 Now, if you want to study that a little while, we will take a
19 recess, in order that you may give us a definite answer on that;
20 and when you say you are willing to, then all right, the opera-
21 tions can resume. If you are not willing to, then we may just
22 as well discontinue further discussions, and there is no accom-
23 plishment in the effort that I have made.
24 MR. BRIDGES: That proposition could be acceptable to us,
25 Governor. You say to take that opinion and put our own inter-
26 pretation upon it. All we need do is really to return under the

1 old contracts and coupled with this opinion, and the first
2 dispute that came up under those conditions would automatically
3 go to arbitration. Now, under that setup, under our inter-
4 pretation we can arbitrate preference, registration ofmen, and
5 everything else. Now, if it is going to be a question of
6 putting our interpretation on that opinion, that is an entirely
7 different question as to what the opinion means.
8 GOVERNOR OLSON: Well, you are just as welcome to put
9 your interpretation on it as the other side is welcome to put
10 its interpretation on it. You can study it and take your
11 choice.
12 MR. BRIDGES: Except that the committee's recommendation
13 in essence will not at all be permanently settled one way or the
14 other. The committee recommends, in effect, to return to work
15 under a contract under which we have already had three or four
16 stoppages of work or strikes or disputes over -- whatever you
17 wish to call them. And the committee itself says that it has
18 not gotten to the bottom of the question, and it is very hard
19 to figure out what they mean by that. If the opinion means
20 that the union relinquish for a long period of time, as it
21 does say, all chance to do anything about the basic demands,
22 obviously the union cannot accept it, because then the opinion
23 means that the union gives up its union.
24 GOVERNOR OLSON: Well, I am frank to say to you that it is
25 not very clear to me what it does mean.
26 MR. BRIDGES: I think your description stated today is very

1 apt, Governor, for me.

2 GOVERNOR OLSON: Now, the question is: Do you want to
3 consider it, and consider the matter of putting your inter-
4 pretation on it, and in the light of that interpretation state
5 whether you are willing to go back to work?

6 MR. BRIDGES: Very frankly, Governor, I can't see why the
7 union is required to consider everything. The employers can
8 come up here and sit pat, and not recede one inch.

9 GOVERNOR OLSON: So can you.

10 MR. BRIDGES: That has not been our position, Governor.

11 GOVERNOR OLSON: I know it hasn't.

12 MR. BRIDGES: We have receded all the way down along the
13 line, and we are right down to bedrock now.

14 GOVERNOR OLSON: The concession, apparently, which you are
15 supposed to make is to give up your strike demands and go back
16 to work.

17 MR. BRIDGES: That is too much to ask the union to do,
18 Governor. If you are asking us to do it, we would like to
19 know it.

20 GOVERNOR OLSON: I am not asking you to do it. That is
21 the only way that the employers will agree to any settlement
22 of this strike.

23 MR. BRIDGES: Our answer to that one is "No."

24 GOVERNOR OLSON: So I don't see that there is anything
25 further to be accomplished, gentlemen.

26 A VOICE: I move that we adjourn.

---

1 ...ght, Commissioner, for me.

2 ASSISTANT COUNSEL: Now, the question is:

3 assertion is, and consider the matter of getting your liqu-

4 uidation on it, and in the light of such interpretation these

5 witnesses are now willing to go back to work?

6 MR. CUTCHIS: Very frankly, Commissioner, I don't see why

7 there is required to consider anything. The minutes speak

8 for themselves for all you, and my records are final.

9 ASSISTANT COUNSEL: No more.

10 MR. MCCARTHY: That has been our position, Commissioner.

11 ASSISTANT COUNSEL: I know it has.

12 MR. MCCARTHY: We have recited all the way from about the

13 line, and we are right here to endorse them.

14 ASSISTANT COUNSEL: The commission, respectfully, which you are

15 supposed to make is to give us your strike demands and we have

16 no work.

17 MR. MCCARTHY: That is too much to ask the union to do,

18 Commissioner. If you are willing to do it, we would like to

19 have it.

20 COMMISSIONER CLARK: I am not asking you to do it. This is

21 the only way that the employees will agree to my testimony

22 of this union.

23 MR. MCCARTHY: We cannot do that and is you.

24 COMMISSIONER CLARK: So I don't see that there is anything

25 further to be accomplished, gentlemen.

26 A PATRON: I move that we adjourn.